

Bourassa Remembered • When GM Strikes • The Collette Shuffle

CANADA'S

WEEKLY NEWSMAGAZINE

Macleans

OCTOBER 14, 1996

Special Report

Who's Up and
Who's Down in
Jean Chrétien's
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The Wife



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The Nephew

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Cover

12 The power game

In the Q1/Q2 of the 1990s, neither power nor the temptations of things are of the scale they once were. But the nation's capital still lures office-workers, backroom shoguns and those with access to the top.

PHOTO BY GUY LAWRENCE

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Baseball officials allowed the Roberto Alomar spitting controversy to get out of hand and left a dark cloud hanging over the playoffs

From The Editor

A man of ambiguities



It was the fall of 1977 and Robert Bourassa was in deepest exile in Europe. The previous November, the Parti Québécois had recently defeated his Liberal government, the premier had suffered the humiliation of losing his own 1974 Montreal seat, and, as he admitted to a motorist who caught up with him in Paris, "There are people after my head even though it's been chopped off." At the time, he seemed to have accepted his defeat, if not all of the well-thumbed reasons: his image as a politician in remote control who invented with a hair spray, the faltering Québec economy, the opposition taking up his language policies, and his association with the *Grande Alliance*.

Even then, Bourassa took the long view. With the party's leadership still vacant, he had come back to Québec in the summer to take soundings. After talking to his predecessor as leader, Jean Lesage, and other trusted party friends, Bourassa concluded that he was still periodic *non grato* in Québec. So he returned to Europe, content to pursue his study of governmental systems. "He 44," he told his visitor, "I was not."

That patience ultimately brought Bourassa back to power in 1986, just in time to plunge into the labours of the Meech Lake constitutional accord, the revocation of a Proulx-only outside suit law for businessmen, his re-election in 1988, the collapse of the Meech Lake agreement, the standoff between authorities and natives at Oka, and the Charlottetown accord.

In the very week that Bourassa lost what he called "the big fight" to confer, pollsters reported a slight rise in the fortunes of federalism among Quebecers. To be sure, the change was marginal, suggesting at best that a referendum now would produce roughly the

same split as last year, reflecting the familiar pattern of a province that cannot quite seem to decide between separatism and federalism, between its heart and its head.

That is the very ambiguity that Bourassa embodied in his public career. In the late 1960s, René Lévesque wrote his scathing first attack on Bourassa's *Le Devoir* when Bourassa had just become the former cabinet minister belted from the Liberal party. At the eleventh hour, Bourassa decided not to throw in with Lévesque and remained a Liberal. In 1971, by then the premier, Bourassa first agreed to the so-called Victoria Charter to amend the Constitution, then reneged on the agreement when he returned to Québec and faced the wrath of the autonomists. After the failure of the Meech Lake accord, Bourassa held a hand to the throat of English Canada—threatening a referendum—and again, only at the eleventh hour, reneged in favor of the Charlottetown agreement. Near the end of his days, he intervened forcefully on the side of the federalists in the referendum.

Bourassa alternately rallied and infuriated citizens in his own province and, mostly, caused unease and suspicion in English-speaking Canada. Despite the ebb and flow of his policies, he was able to generate the respect that marked so many politicians: few week he came he saw that respect of friends as a rough-and-tumble professional, a gadabout whose commitment, personal loyalty, professionalism and courtesy never waned.



Bourassa: respect of friends in a rough-and-tumble profession

Robert Lewis



Wilson-Smith at 24 Sussex

Newsroom Notes:

Power plays

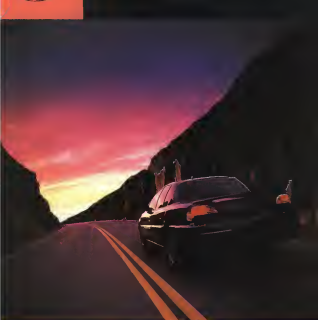
For this week's cover package on the Ottawa power brokers, Ottawa Editor Anthony Wilson-Smith drew on almost 13 years of experience with the magazine during which he has served, in one way or another, as a bureau chief in Québec, Moscow and, for the last six years, Ottawa. The common note, says Wilson-Smith, is that "the more power people have, the less they tend to talk about it. The best examples are Robert Bourassa and Jean

Chrétien. The easiest way to spot the impostors is that the reverse is usually also true." The list was assembled by Wilson-Smith and Ottawa correspondents E. Myles Fulton, John DeMont and Luke Fisher, working under the direction of Senior Editor Peter Koppleman in Toronto. The 16-page section was designed by Associate Art Director Guellette Sabourin, while Art Director Nick Burnett debated the cover treatment. Many of the photos, especially of some reluctant prime ministerial aides, were from the collection of Photo Editor Peter Bregg. Maclean's also informally

interviewed many people in Ottawa for their view on who matters. Some of those listed—and some of those omitted—will be as puzzled. Power, after all, can spring from the most surprising places.



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Verma: on the wrong side of a moral gap, or a courageous officer with respect for soldiers?

General standards

Among the only thing that I and I suspect, among other retired and serving soldiers will agree with in Maj. Gen. Brian Verma's editorial interview is his call for Gen. Jona Beyle to resign ("A sense of distress," *Canada*, Sept. 30). His defence of Col. Serge Labbe (who has been accused of allowing a case of child rape to the first Airborne soldier to kill a Somali) is being eroded rapidly as more soldiers testify in the Somalia inquiry, certainly charging that Labbe is arguably the best officer in the army in peacetime. But personal evaluation aside Verma reveals his own very limited leadership skills and knowledge of his profession throughout. He holds the Somalia scandal down to the one breaking death and ignores the other killings, the mass behaviour, the drunkenness on duty and, most telling, the excessive level of covering by soldiers, civil servants and politicians. By suggesting that the American sergeant who killed a Somali "killed" who stole his sunglasses was correctly disciplined by being "boasted to private, fired—and it all happened within a

week," Verma reveals the moral gap that separates him and many other officers from the citizens of Canada and from proper professional standards. One wonders how in hell he'll be get the misapprehended risk.

Retired colonel James W. Allan,
Kingston, Ont.

One can only applaud the courage of Maj. Gen. Brian Verma who has always understood the role and responsibility of leadership and who has demonstrated on various roles of field command over many years his respect and understanding for the common soldier in the trenches. Clearly Gen. Jona Beyle must resign before any meaningful efforts can be undertaken to ensure our military capability which is severely damaged to the point that we have lost the respect and confidence of all our allies. Our association continues to maintain that the disbanding of the Airborne was ill advised and overall, and true, plus study will prove the folly of that decision.

R. F. Jenkins
Past president, 1st Canadian
Parachute Battalion Association
Toronto

After reading your interview with Maj. Gen. Brian Verma, I picked up U.S. Gen. Colin Powell's biography, *My American Journey*. With a sense of déjà vu, I read his accounts on rampant commercial bribery, unscrupulous and inflated rewards followed by "The army has created an environment that rewards relatively insignificant, short-term indicators of success, and encourages or discourages the growth of long-term qualities of moral strength." We are not alone!

Darrell S. T. Buckman,
Toronto

Airwaves that bind

On a national level, English radio was certainly hit very hard. But on a local level, francophones in Western Canada and Windsor got the unluckiest cut of all ("The unluckiest cuts," *Broadcasting*, Sept. 30). For instance, francophones in Saskatchewan will lose their daily half-hour news program on television (it'll be replaced by a daily 15-minute slot to Winnipeg). Meanwhile, French radio will be reduced by more than 30 per cent. French media is of

Rejecting Canada

In letters reacting to your story on spying ("The new spy wars," *Cover*, Sept. 2), several writers expressed fear that the United States has territorial designs on Canada ("Canadian spies," Sept. 16). A similar theme of conquest turns up in U.S. stories on Quebec's separatism. My question: Why would we want any of Canada? Seizing Ontario, for instance, would yield Ontario's Gums, they woke up and elected Mike Harris, but these people are more likely to be another Massachusetts or Minnesota, in which case all that is not mandatory is banned. I'm not willing to risk taking in an entire state 29 million people who are so bitter they seriously tried to ban 18-inch satellite dishes. Meet up your own country. Mine has problems enough.

Patrick McPherson,
Detroit, Mich.

It is important for the survival of the official minority—I am less concerned about the survival of the English majority. At the very least, CBC president Perrin Beatty's decision will weaken the French community outside Quebec.

Weninger Maria Kripa
Regina

I'm confused. Our government would have us believe we should be proud Canadians wear our flags and get to know each other. Why then are they destroying our national radio and television services? The CBC? This is an institution that informs us about one another and about our different regions. It's what binds us. The government's intention is not only confusing, but a tragedy.

Phyllis Kalkbrenner,
Kamloops, B.C.

Fallen candidate

I am looking with disgust at the photo of U.S. Republican presidential candidate Bob Dole, which appeared in the Sept. 30 issue ("Down—and out?" *World*). I am wondering why Dole's fall in Chico, Calif., is being used to denigrate his electoral defeat. I am not aware of any prerequisite to becoming president of the United States that outlines an immunity to everyday mishaps. It is clear that the image is to convey the message that Dole is susceptible to accidents, which would appear to discredit his strength and leadership. The fall really can be posed as a question: are we electing candidates for their leadership qualities and their ideologies or for their divine ability to

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Diane Francis

Children suffer while their parents bicker

I think I have finally figured out what Canada, and Canadians, are all about. Years ago as a university student, I became acquainted with the concept that nations, as well as individuals, possess attitudes. In other words, countries are like people: families, complete with customs, rituals, attitudes and values. But nations, some more than others, possess characteristics that are also self-destructive, self-defeating or in some way dysfunctional.

This year, I began to realize that Canada is a dysfunctional family. Fortunately, it is a family that could easily be happy if its members finally realize what the real root of the problem is.

Canada is a family with parents who constantly bicker. The children—ordinary French and English speaking Canadians—are caught in the middle of all this. The adults are doing really well as individuals, but the bickering has been interfering between the parents, who are the country's intellectual and political elites. Even though the children outnumber the parents, the bickering is ruining what could be a very happy home.

As a member of this family, I am frustrated by this because I do not believe that Canada, or Canadians, need a divorce. I believe Canada needs a couch in order to rid itself of its national neuroses.

Of course, all nations have problems. I left a very dysfunctional family—the United States—in the late 1970s and joined the Canadian family. And I truly believe that Canadians are a relatively happy bunch due to the fact that they have carved out a pretty wonderful country for themselves. But the "parents" won't stop bickering, and the "children" have been seriously demoralized and rewarded as a result of the fact that the two never resolve their differences.

Here's what I mean. Imagine that Quebec's political and intellectual elites are the wife while Ottawa's are the husband.

"You don't love me, you don't treat me equally," says the true couple wife.

"Yes I do, and here's some jewelry to prove it," says the balingal, big-haired husband who suffers from bloat because he hasn't always been a good husband.

"The presents are nice, but they don't prove anything. You're lying," threatens the wife.

"Don't leave. Here's some more jewelry," he responds.

The grievances are deep-seated. The two warring factions have tried marriage counselling and the counsellors—at the insistence of the wife—have been from Quebec. This strategy has simply not worked.

That is because all three counsellors—Pierre Trudeau, Brian Mulroney and now Jean Charest—have dealt with the problem by throwing more and more jewelry at the wife rather than trying to

persuade her to sign a new marriage contract. Not surprisingly, she is holding out for more and is still threatening to leave.

The effect on the rest of us, the children in this dysfunctional family, is predictable. Both French and English Canadians manifest all the symptoms of youngsters who live in a home with parents who constantly fight.

They hate out. They take sides. They are co-opted as one parent tries to turn the children against the other parent. The children do everything they can to stay out of the way. They do anything they can to stop the shouting. They try to avoid confrontations and are extremely careful about what they say. They ignore about because they don't want to stir up a hornet's nest. These symptoms are the essence of the Canadian identity: reflexive and political correctness when it comes to issues involving language and separation. Canadians are polite to a fault and punish those who speak out by labelling them as radicals or anti-French bigots. But the facts are that the children leave the marriage counselling has not worked and the way this family functions must change dramatically.

To me, the husband must protect the children from all of this and say to the wife that he loves her but that there will be no more special gifts to bribe her into staying. He should also say that if she insists on leaving, then so be it and he wishes her well. However, he must insist very clear that she won't be able to take the million dollars and all five assets should she leave. She can have her fair share, but the children must be totally free to decide which parent they wish to live with. Children must not be held hostage or forced to move out against their will.

Instead of such tough love, all three Quebecers have chosen to minimize everything. They have pushed guilt buttons in English Canada to gain votes and treated Quebecers to vote separation even though they aren't really committed to the cause. They have done this by giving Quebec more than its fair share out of the marriage. They have been totally pre-occupied with pleasing Quebec politicians and have neglected their responsibilities to the rest of the family. They have handed out bribes and favors and contracts to carry favor with some children, but refused to protect others—Quebec's anglophone minority—from language and human rights issues. The result of all that has been the crippling of Quebec's economy with the departure of thousands of anglophones and numerous head offices. This is as much the fault of Ottawa as of Quebec City.

Canada should, and could, be one happy family one day, but only if the bickering and bribery end. If some Quebecers remain unhappy, they should be encouraged to move out to a small apartment somewhere. That way the rest of us can live happily ever after. And in peace at long last.

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BY ANTHONY WILSON-SMITH

In the not always generous world of politics, power—paradoxically—is something that most people would rather give than receive. Those who give it, by definition, have power to spare; those who receive it can just as quickly lose it. Just ask David Collette. One day last week, he was defence minister, presiding over tens of thousands of employees, and recognized as one of the world's most influential people. The next day, Collette was just one of 285 members of Parliament. His resignation changed the lives of three other Liberal MPs who saw their own powerlessness almost by happenstance (page 38).

Of course, in the cash-strapped, resource-shy atmosphere that prevails in Ottawa in the 1990s, neither power nor the temporary glamour of the scale they once were. There is no room to spend on new projects, less money to spend on existing ones, a host of voters' suspicions of politicians, and a laundry list of provincial premiers waiting for the first opportunity to claim as their own areas now controlled by the federal government. But the federal government remains a force in the lives of all Canadians, whether they like it or not. That is true in both positive and less-lustrous ways—by the services or subsidies it offers individuals or their businesses, or by the taxes it levies or legislation it passes. What has changed is the nature of power, largely defined by the person who holds the most of it. In that sense, Ottawa under Jean Chrétien is markedly different than it was in past years under Brian Mulroney.

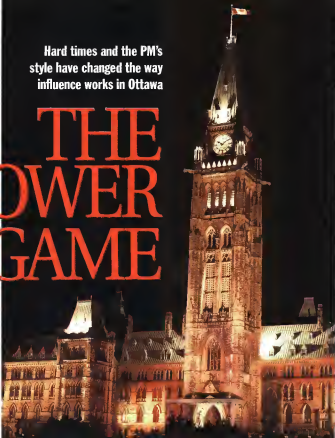
Then, power and access were things that everyone boasted about and claimed to have, starting with Mulroney, who revelled in telling associates associates about his experiences with the likes of Ronald Reagan and Margaret Thatcher. Similarly, lobbyists bragged of their friendship—or at least acquaintance—with the prime minister as did political aides. Traditional civil servants were regarded with suspicion or sometimes outright contempt. That, on the more positive side of the ledger, Mulroney paid close attention to the views of all of his caucus members.

The nature of power under Jean Chrétien is more discreet. Lobbyists have become a much more endangered species, the salaries and suites of ministerial staff have been slashed and civil servants have returned to government positions of influence. Few people boast of their close ties to the Prime Minister because they know that in the next year to end them. "I have a bunch of people I call regularly for advice, and I am not gonna say who they are," Chrétien told an acquaintance recently. "And they are sure not gonna say who they are, because they know that if they do, I won't call them anymore." Unchecked officials have a horror of gaining a high profile because Chrétien believes that anyone who is not checked should be neither seen nor heard discussing government policy.

At the same time, the role of the backbench government MP is at its lowest ebb since the days of Pierre Trudeau, who once chafed contemptuously that "away from the Hill, they're no bodies." Chrétien dislikes surprises, and does not suffer dissent gladly. When he makes a change, he is fed with his cabinet staff last week, it is usually because they have been thrust on him by circumstances. Because of the pressure on MPs to support him at all times or face the consequences, backbenchers now are treated with near-equal disdain both in

Hard times and the PM's style have changed the way influence works in Ottawa

THE POWER GAME



and off the Hill. But Chrétien, despite the disconcerting remarks he frequently makes about the Mulroney government, has also proven fond of appointing old friends to high positions, such as former Liberal MP Renato LeBlanc as Governor General, and a series of new appointees whose chief credentials are their past association and hard-earned successes for the Liberal party.

Regardless of the liberal government or political party forming the government at night, Ottawa remains obsessed by power—who has it, how to use it, how to lose it, how to get more, and how to take it away from others. Money rules, power is everything. Ottawa is the Assembly. That system must be won. It is difficult to make the big phone call, how calls returned and, by extension, to get things done. The Minister's list of Ottawa's 50 top power brokers is particularly telling—that the people in or around the federal government who either take, or make, such calls, and therefore make things happen that can affect the entire country. It was compiled by members of Mulroney's Ottawa bureau, working with senior editors at the magazine, and is also the product of informal discussions with many people in Ottawa—although, naturally, they will remain anonymous.

Those on the list range from backroom political firms to negotiation career civil servants, from federal cabinet ministers to anti-Ottawa provincial premiers, from retirees to some of the nation's most prominent business executives. The only group excluded from the list are those who have their own lines of power that run parallel to, but separate from, political Ottawa. That includes, for example, the nine judges of the Supreme Court of Canada, the governor of the Bank of Canada, Gordon Tiersen, and LeBlanc. For the sake of clarity, the 50 power brokers are divided into five categories, while up, down or sideways arrows indicate what direction their career path appears to be heading. "The People's Choice" are elected politicians at either the federal or provincial level. "The Inner Circle" comprises the partisan political people with great influence on the Prime Minister who talk to him on a regular, often daily, basis. "More than Civil Servants" are the negotiation civil servants who, because of the importance of their department or the respect they have personally earned, can move a project along quickly—or keep it in limbo forever. "Cool heads" are people who are not working directly for government but receive attention because of the quality of their ideas. "Wheelers, rollers and dealers" are allies, although not always, across party lines who serve as a bridge between the elected members of a government devoted to the interests of all Canadians, and the more specific interests of the party workers who helped put them there. Finally, "Money Takers" are the representatives of big business who, almost regardless of what party is in power, are listened to because of the size of the bankrolls and payoffs they command.

In addition to these categories, there are three separate groups totaling 15 people who are the managers of the list. "The Uninvited" are precisely that—people who attract little attention but whose views consistently have impact. Similarly, "Up And Comers" are in the process of earning a respected hearing, and will likely break into any such list in years to come. Finally, "The Overrated" refers to those who would normally command great influence—but who, by either changing circumstances or misunderstanding of their position, do not.

Any such list is, by nature, subjective rather than scientific. And cabinet shuffles, shifts in policy priorities, a public misstep or an unexpected political coup can either stop a career deal or thrust a person unknown into the limelight. One year from now, the only certainty is that the list of people of prominence, and their positions on it, will inevitably have changed.

Shifting Fortunes at the Top

Personalities and performance dictate the ebb and flow of influence among the men and women who lead the country. The arrows indicate whether their clout is on the rise, on the decline or holding steady.

1. Jean Chrétien

➔ The Canadian public sees a modest, down-to-earth, straight-talking Prime Minister with an obvious love for his country. His critics, meanwhile, see a dictatorial leader who fires back teachers who defy him, batters advertising errors, and relies on a small circle of long-standing friends and advisers. All those descriptions are accurate. As a leader, he will wriggle on or rise, then suddenly move with surprising alacrity, as he did with his cabal in 1995. Last week (page 36), polls show Chrétien to be the most popular prime minister in the last half-century, but the past year has seen him weakened by the close call in the Quebec referendum and his backtracking on promises to scrap the Goods and Services Tax. Chrétien should win the next election easily—but will he win a long-term future for a united Canada?

2. Paul Martin

➔ Determined to the point of being headstrong, Martin is charming, bullying, witty, demanding, quick-tempered and a quick study. In three years, he has reduced the annual deficit to a projected \$84.3 billion this year from \$42 billion. He is the one truly indispensable minister in Chrétien's cabinet, which is why he and the Prime Minister have been able to overcome the bitterness of their 1980 Liberal leadership battle. Martin is the first finance minister in modern history to embrace, rather than hurt, his popularity—and chances of becoming PM. Even if that never happens, he appears destined to fulfill his dream of becoming a superminister of the likes of the legendary C. D. Howe—or, for that matter, Paul Martin Sr.



★
Martin (left):
Chrétien;
Gray (right)



3. Herb Gray

➔ Most Canadians see only "Gray Herb," but serious students of politics know that behind the Liberal House Leader's seemingly pedantic public image is a rock and roll aficionado who favors Bob Seger and the Rolling Stones. Gray single-handedly keeps government on track in the House of Commons. Not even a recent bout with cancer of the throat—which is now in remission—could slow him down. Notches more.



gout after his treatment, he brushed off the temporary loss of his hair from chemotherapy by saying he now looked a "Bruce Willis" haircut. He canceled his last two chemotherapy sessions and elected to live with surgery rather than cut back on his workload, and others in his hospital room regularly heard the rustle of newspapers and briefs above the beeps and drips of hospital equipment. A profile in courage.

4. Mike Harris/Ralph Klein

➔ Together, the two premiers and their anti-Ottawa stances make for a message. The Liberals don't necessarily like, but have to heed. Along with British

Columbus, their provinces pay the freight for the rest of the country when it comes to financing regularization payments. But Harris and Klein, like most premiers, still underestimate public enthusiasm in English Canada for strong central government, and often overplay their hands.



Bouchard weakened by a sliding economy

5. Lucien Bouchard

↓ Last December, when Bouchard left Ottawa for provincial politics, he and Chrétien met for 45 minutes. That occasion marked the first time the two men had ever spoken outside the House of Commons. No matter what the rest of Canada may think of Bouchard, he and the underlying thrust of Quebec sovereignty drive Ottawa's agenda to an extraordinary degree. His influence is weakened by a Quebec economy in freefall, internal fighting in the Parti Québécois, and the indeterminate date of the next sovereignty referendum.

6. Marcel Massé

↓ Yes, he's a ringer for Hercule Poirot, Agatha Christie's perennial detective, and no, he will never be a household name or a dynamic speaker. But Massé provided the blueprint that allowed the Liberals to dramatically reshape the federal government, reduce its role in everything from the size of the military to the scope of social programs—and shed 65,000 jobs in the process. Still not at ease with partisan politics, he has been less prominent in the past year, and needs to define a new role for himself if he is to remain a key player.

7. David Dingwall

↑ If you want anything done in the Atlantic provinces involving the federal government, get the human resources minister's support. If you want an underhanded enemy, sit without telling him. Christie knows that Dingwall was one of his earliest and most vocal leadership supporters. Dingwall, who was dogged by controversy over patronage appointments during his previous stint in public works



minister, has been controversial free and quickly effective in his new portfolio.

8. Anne McLellan

↑ A Liberal party favorite, rookie MP from Alberta, she also is a remarkably shrewd politician, and one of the best brains in cabinet. Despite her inexperience in her portfolio, she has won admirers in the oilpatch, and often goes head-to-head—successfully—with Environment Minister Sergio Marchi on ecology issues. Suspicious mainly in the energy sector in Calgary, who always expect the Liberals to choke them with new regulations, are impressed. She has become the cabinet's voice of the West since Lloyd Axworthy, a more senior minister from Manitoba, shows little interest in being a regional spokesman. Much liked by caucus.

9. Brian Tobin

↓ Still joined at the hip to the Liberal cause that he was no longer a part of—and still one of Chrétien's special pets—the Newfoundland premier has supplanted Frank McKenna as the Atlantic leader with clout. But in recent months, he has become unpopular in his home province, his prime ministerial endorsement may be a bit too obvious, and federal Liberals are horrified by his decision to pick a fight with Quebec over Newfoundland's money-losing Churchill Falls hydroelectric contract.



Dingwall from top, Harris and Klein; Tobin, Massé; Dingwall



McLellan shrewd, brave and admired



Rock: hurt by gun control and gay rights

10. Allan Rock

↓ Bright, bilingual and genuinely nice, Rock arrived in Ottawa in 1983, widely regarded as a man most likely to eventually succeed Jean Chrétien. Since then, he has been beset by unrelenting conservative Liberal backbenchers because of his gun control and gay rights bills. His department's awkward handling of Brian Mulroney's lawsuit against the federal government has hurt him. Rock has also appeared politically naive in his handling of these issues, and often looks past plans exhausted by the strain of producing more legislation than any other cabinet minister.

The Opinions the PM Heeds

Jean Chrétien seeks the counsel of old friends but wife Aline ranks first

1. Aline Chrétien

Never mind calling her the power behind the throne—she shares the seat of power. The Prime Minister consults her on everything, including policy and personnel moves. If she doesn't like someone, that person is gone. She made one appearance in the House of Commons to comfort her husband when aides knew he was nervous at the last days of last year's Quebec referendum campaign, and privately tore a strip off him a year earlier when he publicly and tactlessly criticized himself of his high standing in the polls.

2. John Rae

Whether in private life or plotting policy or politics. Rae, a senior executive with Montreal-based Power Corp. and brother of the former Ontario premier, is first among equals in Chrétien's circle of friends and advisers. Their friendship dates back more than 30 years, and Rae has headed every election or leadership campaign that Chrétien has run. When Chrétien pulled with Bill Clinton and Jim Blanchard, then the U.S. ambassador to Canada, in the summer of 1995 in Nova Scotia, Rae was the fourth.

3. Eddie Goldenberg

Chrétien once described the diminutive, secretive Goldenberg as "my pocket computer." The Prime Minister's senior policy adviser is also his chief fixer-upper, every administrative political crisis confronting the government goes straight to Goldenberg's desk. The two have been together for more than a quarter of a century, and, as Chrétien has said, "Eddie always knows exactly how I think." Caucus members recently have.

4. Jean Pelletier

Elaborate in style and approach and terrifying to outsiders, Pelletier is the man who brought order to Chrétien's chaotic political life when he became chief of staff in 1981. A longtime high-school classmate of the Prime Minister and former mayor of Quebec City, he has a formidable network of contacts everywhere in his



house province, as well as Ottawa. Pelletier is not always involved in crafting strategy, but is always a key player in implementing it. Despite the fact that he is a fierce federalist, political opponents in the Bloc Québécois like and respect him.

5. David Zussman

Zussman, a native Montrealer and former civil servant, keeps a low profile by choice. But the longtime Liberal policy adviser, now a professor of administration at the University of Ottawa,



✶ Pelletier (lower left), Donolo and Carle, Aline Chrétien

was one of the few people Chrétien telephoned on the day before the 1993 election, and was one of a handful of people Chrétien had with him at 24 Sussex Drive on referendum night last year. Zussman is one of two people drafting the new Red Book of promises that will be the cornerstone of the Liberals' election campaign next year.

6. Jean Carle

Still in his early 30s, Carle has the avuncular, publicly opinionated manner of someone much older. He is director of operations in the Prime Minister's Office, and the Chrétien family treats him like one of its own. On a business level, no contract goes out of the PMO that Carle is not aware of. Any message to Chrétien is first filtered through him. Carle is a force potential for whose weapons include baring access to the PM to enemies. That, of course, only adds to his list of enemies.

7. Peter Donolo

Chrétien's much-maligned economic crisis director, or spin doctor, is a deceptively engaging Young Turk of



30 with a dead-end for world peace and a genius for tapping the public mood. In the 1990 campaign, he put his boss into blue denim shirts and said him on the merits of lowering the campaign on the Red Book. Since the election, Donolo has championed the equally successful notion of keeping government "out of people's faces" by firing cabinet ministers and reforming from extravagant promises. Chrétien ripped into Donolo when he privately urged the Prime Minister to have a westerner apologize for breaking the Liberal promise to scrap the GST. Which just goes to show that even when Chrétien thinks Donolo is wrong, Donolo is right.

8. Terrie O'Leary

With her shrewd political instincts, low tolerance of bad habits, and willingness to bluntly tell her boss "you're dead wrong, Paul," when the occasion arises, O'Leary, a Finance Minister Paul Martin's executive assistant, is considered by some longtime Ottawa observers to be the most effective

political aide they have ever seen. This had news for Martin as the numbers that she may soon leave for a job in the private sector.

9. Mitchell Sharp

Some dismiss the gentleness of the 85-year-old Sharp, Chrétien's father figure, as comical. But the two men speak regularly and Sharp, despite his age and 50-year salary as personal adviser to Chrétien, shows up for work in the PMO every day. He is the man who first introduced Chrétien to much of his network of closest friends and supporters.

10. Gerry Yanover

A loyal Liberal backbone warrior for close to three decades, Yanover's executive assistant is also renowned as a shrewd talent scout who spotted and placed many of the executive assistants to cabinet ministers. That gives him a huge block of friends and supporters in key positions—and the fact that he is a close friend and longtime housemate of Eddie Goldenberg does hurt.

MORE THAN CIVIL SERVANTS

THE HEAVY HITTERS

1. David Dodge

At best, many observers predicted a long-running series of firefights between Martin and his equally strong-willed deputy premier when the Liberals formed a government in 1993—or, at worst, a very short professional relationship. Instead, they became staunch allies—a fact reinforced, rather than diminished, by their willingness to discuss departmental messages to publicly disagree with each other. That has encouraged a new spirit of openness in the traditionally sterile debates in the department. Dodge's obvious respect for Martin was one of the keys to the minister winning over suspicious ministers who were too often ignored—or given impossible targets by predecessors to Martin.

2. Raymond Chrétien

The fact that he is the Prime Minister's nephew does not hurt, but Raymond Chrétien, a career foreign service officer, is also acknowledged by advisers—among them Lucien Beauchamp—to be extremely effective. He is one of the few francophones ever to serve as Canada's ambassador to Washington, a position traditionally, though infrequently, reserved for anglos. More to the point, few weeks



✶ Raymond Chrétien: even Beauchamp was impressed by the nephew's talents.

pass when the Prime Minister does not consult him about Canada's foreign affairs in all parts of the globe. His claims come to the fore when he succeeded in persuading Bill Clinton to delay U.S. sanctions against Canada over trade with Cuba, despite widespread diplomatic pressure on the President to take action.

3. Jocelyne Bourgon

Despite holding the top civil service position in Ottawa, the Clerk of the Privy Council was initially regarded

with distrust by Chrétien's advisers since close to her close ties to Mulroney, who championed her career. She has overcome much of the suspicion, but still has not succeeded in placing her own stamp on the civil service. Bourgon is respected but not loved, according to an insider, one of her only dais is Chrétien "and he's afraid of her."

4. George Anderson

John Ruffa former schoolmate and Eddie Goldenberg's friend, Anderson is the cabinet deputy secretary who oversees the units operating in the Privy Council Office. Although there is no universal affection from his colleagues, the 24-year veteran of public service enjoys close ties to many Liberals. In 1993, the government moved him into the PMO to oversee the special administrative investment program. A year later, he went to Finance and then on to Foreign Affairs as embassy chief in deficit reduction and foreign trade. Wherever he goes is a sure sign of where Liberal priorities lie.

5. Peter Harder

The secretary of the Treasury Board is a terrific Tory who spent time in a political job into the civil service. Originally regarded with great suspicion by the Liberals, he proved loyal, efficient and discreet while serving as deputy minister of Immigration and Citizenship. Other civil servants describe him as the fastest man among them.



★ Beaudoin: a resolute defender of national unity

COVER MONEY TALKERS

The Money Managers

Ottawa listens with respect to the views of these Canadian business leaders

1. Paul Desmarais

↓ Critics dismiss Desmarais's access as a function of the fact that one of his sons, André, is married to Jean Chrétien's daughter, France. The reality is that the founder of Power Corp. has had close ties to a variety of politicians of all stripes, including Brian Mulroney (who once worked for him as a labor lawyer), David Johnson (a former Power employee), and Rick Rife (whose brother, John, is a senior Power executive). When you are as big as Desmarais, everyone answers your calls. But because he has now stepped back from a day-to-day role at Power, his influence is inevitably diminishing.

2. Laurent Beaudoin

↑ Banham Inc., with its strong international presence and high-tech image, is a symbol of both Quebec and Canadian achievement. That fact is regularly stressed



Black: when you control 41.8 per cent of the readership, people listen

by Beaudoin, the company's CEO and a resolute federalist even when federalism is unpopular in Quebec. Chrétien loves him for that, and everyone loves a business success story.

3. Charles Bronfman

↓ The House of Seagram has been one of Canada's best corporate citizens, contributing tens of millions of dollars to various charities—and also generously supporting the Liberal party. Bronfman's generosity on that score helps inspire others: all Liberal fund-raising efforts in Quebec begin with a call to Bronfman's longtime business associate, Senator Leo Koller. Both men are among the loudest voices of Montreal's influential Jewish community. But the feds were embarrassed by the revelation that the Bronfman family shifted \$2 billion worth of Seagram Co. Ltd. stock to the United States in 1991 without paying capital gains tax. As a result, Martin last week closed that tax loophole.

4. Conrad Black

↑ When you control 41.8 per cent of the daily newspaper readership in Canada, people pay attention—particularly in media-conscious Ottawa. So far, Black has far the most pain preferred to make his views on politics and policy known via interviews rather than direct contact with politicians. No matter

what platform he chooses, Ottawa is listening. Although his ardent conservative views might be expected to annoy Liberals, they don't bother personally if anything, Black is toughest on ideological word-masters who disappoint him.

5. Lynton (Red) Wilson

→ Another in a series of influential Montreal-based CEOs, Red Canada Enterprises' Wilson is a vocal senior Ontario businessman who understands the sometimes arcane legislation in which governments function. In case he forgets, he is surrounded by RACE associates with their own governmental track records, including Derek Barney, former ambassador to Washington, Peter Nicholson (age 25, a former adviser to Finance Minister Paul Martin), and former Quebec cabinet minister Richard French. Still, some insiders argue that Wilson's influence is not as great as advertised.

6. Dominic D'Alessandro

↑ The trifling D'Alessandro—Italian, French and English—is a former Montrealer who recently moved to Toronto to take over the helm of Montreal's Financial and new services as a prominent link between other

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while enduring ridicule in Upper and Lower Canada. His early success and blunt denunciations of governments appeal to Christians, as does the fact that whatever city he visits, he is always a key contributor to the party and in helping to persuade others to do the same.

7. Matthew Barrett

Barrett, the CEO of the Bank of Montreal, has brilliantly mastered both his bank and himself as an investor in a traditionally stodgy field. That has attracted attention in Ottawa—although Barrett's occasional musings on such topics as Ottawa's alleged suckiness to the banks do not always win him friends. He is listened to anytime he speaks up—but not always with enthusiasm.

8. Yves Landry

Despite his status as a Quebec francophone whose success transcends linguistic and provincial barriers, the president of Chrysler Canada is not that well known in Quebec. But he is revered within the industry department as a vision guy, the main business—and is almost as well thought of by the Canadian Auto Workers union. A role model, Landry is not yet fully exercising his potential political clout.



Godsoe: solid and knowledgeable—all salaries

9. Peter Godsoe

Godsoe, the CEO of Scotiabank, does not have the public profile of the Bank of Montreal's Barrett, but when it comes time to make the big call to Martin or Claxton's office, he will always get through. Around Bay Street, he is regarded as solid and knowledgeable, if a bit colorless in Ottawa, he is regarded as a Liberal—about a distant one who doesn't fill any active role in the party. Godsoe's late brother, Gerald, who died earlier this year, was a prominent race lawyer with much tighter ties to the party.

10. Guy Saint-Pierre

Never mind Saint-Pierre's recent retirement as president and CEO of SNC-Lavalin Group, his connections still extend across the country. A former Quebec cabinet minister who served in the Canadian military, he is an enigmatic federalist whose credibility is enhanced by his successes in a variety of areas. Increasingly turned 60 and in good health, he is still considered to be a possible candidate for the Quebec Liberal leadership by those who would like to see him succeed Daniel Johnson—soon. Still, because of his retirement, his influence may be slightly on the wane.

3. Peter Nicholson

Earlier this year, Nicholson, a former lawyer, left the finance department after more than 20 years as an adviser and sometime speechwriter for Paul Martin. Too bad Nicholson, an

★ *Bradoux: public interest in him has waned but the old boss is still a force*



COOL HEADS

BENCH STRENGTH

1. Pierre Trudeau

Chief of his advisers assure everyone that their boss does not bite that often to his former boss. But all Liberals know that Trudeau, who turns 77 next week, remains a sharp-tongued lion in winter. Would you really try to pass a new constitutional accord without this man? Still, the malice-trait that greeted his complaints about being left on the shelf during the 2006 referendum campaign speaks to a declining level of public interest in him.

2. Arthur Kroeger

A former clerk of the Privy Council, the now-retired Kroeger has become Ottawa's acknowledged expert on the subject of bureaucratic organization. That is a particularly timely issue, given the projected loss of 45,000 federal jobs over the next few years. Often called upon for advice by the PMO and other departments, Kroeger always obliges. His advice on constitutional matters, such as the devolution of power to the provinces, is considered invaluable.

adventurous spirit with a big intellect, was one of the few people who could keep up with Martin's appetite for information and ideas. He is now an executive with Bell Canada Enterprises in Montreal—which has lessened his access.

4. Thomas Kierans

The Toronto-based C. D. Howe Institute, or "Howe," as it is commonly known, serves as a bridge among academics, big business and senior bureaucrats. Many ideas that have surfaced as government policy on issues ranging from the Constitution to the importance of immediate deficit reduction were first introduced, debated—and frequently denounced—at the institute. Kierans, the Howe's chief executive officer, is renowned for his bright, no-nonsense manner and his willingness to share ideas in blunt language.

5. Gordon Ritchie

Never mind his seemingly mechanical manner and dry as-dust way of speaking. Ritchie, a consultant, is the acknowledged expert on trade issues with the United States. He helped negotiate the Free Trade Agreement on behalf of Canada, worked alongside Clinton during the Prime Minister's private-sector days in the 1980s, and is liked and respected by the men at 34 Sussex Drive.



THE ARTS AS SEEN BY



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The Backroom Gang

Largely unknown, these are the party's ablest strategists

1. David Smith

↑ "The PM just loves David," gushes one of Jean Chrétien's staffers, and well he should. Smith is Mr. Ontario Liberal, the party's chief organizer in the province, and the man most responsible for the fact that the Liberals won 58 of 99 Ontario seats in the last election. A mild-mannered, successful lawyer and former cabinet minister wears a healthy smile, a political posture with an enormous appetite for work, personally handpicked stars such as Alton Rock for the 1993 election campaign, then masterminded riding nominations so Chrétien could get the candidates he wanted.

2. Ross Fitzpatrick

→ An important back-roomer for the party, Fitzpatrick controls Liberal fortunes in British Columbia—such as they are. Last week, Fitzpatrick, 43, retired from his position as CEO of Vancouver-based Viceroy Resources Corp. Earlier this year, he stepped down from behind the scenes with the party. That could indicate either a wish for a quieter life—or an appointment from Ottawa. Either way, no one underestimates his influence with Chrétien. He remains one of the few who can call the Prime Minister directly or just drop in if he happens to be in Ottawa. The Chrétienians have, on occasion, stayed at his vineyard villa in Tuscany.

3. Senator Dan Hays

↑ Hays, the Liberal election platform coordinator, plays a key role keeping real-world Liberal senators in line on controversial legislation. He is conciliatory by nature and carefully spoken—to the point that some Liberal MPs openly resent when he makes one of his acerbic, but largely, presentations to caucus. Chrétien has immense trust in him, however, and his importance will increase as the next election nears.

4. Mike Robinson

→ Many Canadians knew Robinson as the affable but sharp-tongued Liberal party defender on the weekly political panel of CTV's *Canada A.M.* But the senior partner in the Roberts Strategic Group is also very close to Paul Martin and served as his campaign manager at



★ Hays keeping the Senate's rebellious Liberals in line

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ROYAL TRUST

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Malkoff, Hasek, with Chretien and Martin (right)

the 1990 leadership campaign. Robson is smooth and likable—and his Barnstable group has been at the forefront of efforts to have the lobbying industry become more open and self-policing. Perhaps because of that, his firm—which also includes prominent Conservative ties—has been one of the few lobbying or consultative groups to continue to thrive in Liberal Ottawa. Other Barnstable partners played the lead role in devising the finance department's controversial strategy in the run-up to the last three budgets. Some Chretien loyalists are still privately suspicious of Robson because of his ties to Martin.

5. Alfonso Gagliano

Never mind his title: labor minister. Although Gagliano heads a largely irrelevant portfolio without much of a department under him, he has supplanted Senator Pietro Rizzo as the man who runs the Liberals' sometimes spinning machine in Quebec. Call him, in short, Quebec's David Irving. He oversees nominations in all 75 ridings in the province. That means, among other things, that he will help decide who among the 30 sitting Quebec Liberal MPs are spared to run again—and who should step aside. No one from Quebec who wants a contract, favor, appointment or high level access to government would dream of not going through him.



6. Ed Lumley

Lumley goes when Lumley's name is mentioned. "The only reference he has is on [Industry Minister] John Manley," grouches one. But Chretien, who took a long time to forgive Lumley for backing John Turner rather than him in the 1984 leadership race, likes his civility. Lumley is also a close friend of Paul Martin. One measure of his influence is that the Prime Minister personally asked him to brief inside members of the Liberal caucus in 1993 on how to behave in the House of Commons.

7. Chayiva Hasek

Hasek, a policy adviser in the Prime Minister's Office, does not have the close personal ties to Chretien that other members of the office do. But she is widely liked, and is the person around the PMO that the old left wing of the party feels most comfortable around. She was a co-author of the 1995 book that, well, co-authored its sequel for the next campaign, and is the PMO adviser with the widest range of contacts at the grassroots level of the party and outside it.

8. Eric Malkoff

In the early 1980s, Malkoff, a Montreal lawyer, had a high public profile as the founding president of the All-Quebec (Quebec English speaking) group. Then he went underground, becoming one of Chretien's most trusted advisers in Quebec. A close friend of Eddie Goldenberg, he was a regular member of the "Wit Rooms" committee that planned referendum strategy. More recently, he was told to "take Oka off the front page" when appointed to mediate a dispute between Michel and their non-aboriginal rough-hewn overlord around the Quebec town. He succeeded. The Liberals would like him to run in the next election, but he probably won't.



9. John Parisella

Parisella, a perfectly bilingual (and fluent) expert of wit to both Robert Bourassa and Quebec Liberal leader Daniel Johnson, is arguably the only Quebec provincial Liberal that the federal Liberals trust completely on constitutional issues. He was one of the unofficial bridge-builders between Johnson and Chretien, meeting in Ottawa with Goldenberg every couple of weeks.

10. Doug Young

Truth is, he's a bore, and because of the point of being rude. Young is like the Clint Eastwood character of spaghetti Western days—the iconic guy who takes out a desperado, cleans it up, and then comes on so quickly that no one is quite sure whether he's coming or going. Young did that in Transport, virtually dismantling or privatizing the entire department, then was halfway through shuffling up the huge human resources department when Chretien punked him out last week and thrust him into the scandal-ridden defence department. Flustered, ill-equipped and capable of peeling paint off the walls in both languages, Young will have no trouble raising his profile as a minister, even the loudest backhanded compliment understood. Then, he'll probably ride on to Chretien's next spot.

The Marginal Players

Public profile does not always reflect true status in Ottawa

THE OVERRATED

1. Sheila Copps

On the glossy side, *Charbonneau* has a strong sense of his earlier self in her public image: overly aggressive and intellectually lightweight. But most of the Liberal caucus, along with many Charbonneau advisors, think that description fits the deputy prime minister all too well—and are not charmed by her. Copps is usually dismissive manner but spring over her nose or promises to resign if the GST were not scrapped did great damage to her public credibility, and her inability as heritage minister to protect the CBC loses \$127 million in budget cuts has further hurt her. She is very down in influence, but cannot be counted out.

2. Glen Clark

You would think that the leader of Canada's fastest-growing province with the political and financial clout that implies, would automatically get a respectful hearing. But the B.C. premier, almost biased to his own credit, has erratic performance at last June's First Ministers' meeting, alienating Charbonneau and his fellow premiers by being conciliatory inside the meeting room, then publicly denouncing them later. His knowledge of the national scene is limited by the fact that he has—in his entire life—spent all of one day in Quebec.

3. Bob White

It used to be that good relations with labor were an essential component of a successful Liberal government. In the deregulated free-trading 1990s, that is no longer true—being the president of the Canadian Labour Congress on the outside looking in.

4. Daniel Johnson

When Johnson became—briefly—speaker of Quebec in 1994, he appeared to be the most federalist Quebec Liberal since Jean Lesage. Since then, the Quebec Liberal leader has picked an away fight with



Copps, hurt by failing to protect the CBC

Ottawa as with the Parti Québécois, and his prickly personality does little to endear him to federal Liberals. Charbonneau, who used to praise Johnson, has during the last year privately expressed the wish that Conservative leader Jean Charest would take the job.

5. Ovide Mercredi

During constitutional negotiations in the early 1990s, Mercredi had a status that appeared to equal that of provincial premiers. But the Liberals do not believe that the national chief of the Assembly of First Nations has real authority to speak for the country's disparate native groups. Before last June's First Ministers' meeting, Mercredi complained about the exclusion of the AFN. As a result, inter-governmental Affairs Minister Stéphane Dion took him to a briefing dinner at a popular local restaurant. No one noticed, few complained at his exclusion, and reporters, who once made him the star, now ignore Mercredi.

THE UNDERRATED

1. Roy Romanow

In federal-provincial terms, being premier of Saskatchewan was never being scotched below the salt as First Ministers' conferees. But Romanow, who worked closely with Jean Charbonneau in the 1985 constitutional negotiations when both were justice ministers, is an old hand at the Prime Minister. He is regarded as an important ally—though by no means an essential one—in most federal-provincial talks.

2. Penny Collette

Never mind her husband, David, it is Penny Collette who, as Charbonneau's appointments secretary, spends quality time with the PM—half an hour alone every week. "Don't ever underestimate the importance of that," says one longtime Liberal. She oversees the thousands of appointments that the government makes during its mandate. Blessed with a peculiar sense of humor and a high comfort level with the Prime Minister, she knows how to make Charbonneau laugh.

3. Michel Vennart

A longtime Liberal, devoted federalist and a charter member of Charbonneau's political network, Vennart is a Montreal lawyer who has been a staple in virtually every caucus committee in existence. In Montreal's tightly wired legal community, where soccer fandom and federalism work side by side on a daily basis, he is a big asset, well-liked by both sides.

4. Preston Manning

The Liberals are openly contemptuous of the Reform party. But why, then, have they stolen Reform's basic issues, including deficit reduction and tougher stances on immigration, violent crime and Quebec secession?

5. Judd Buchanan

Take a look at the those ads running in foreign publications that promote tourism in Quebec and Ottawa—a remarkable achievement in these troubled times. Buchanan, a former cabinet minister and now 51-year-old man, arranged it.



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Waiting in the Wings

Energy and savvy characterize the novices in federal politics

1. Pierre Pettigrew

When he came to Ottawa last January, Pettigrew was regarded as the throw-in alongside intergovernmental Affairs Minister Stéphane Duceau—brought in strictly to appease more nationalist Quebec provincial Liberals. But Pettigrew, 45, who was still in his 30s when he became ministerial assistant to then-Quebec Liberal Leader Claude Ryan, is a seasoned political pro who has not made a misstep since coming to Ottawa. He is well thought of in the intellectual salons of Montreal and Quebec City, even by sovereigntists, and is an eloquent and eager defender of federalism. His quote last week from the junior portfolio of transshipment of others to human resources shows that the PM thinks him ready for the big leagues. The question these days is whether a Quebecer can still the merits of decentralization of social programs to suspicious English-Canadians in the rest of the country.

2. Raymond Chan

Five years ago, the Hong Kong-born Chan, then a human rights activist, was all but unknown in the Liberal party. Now, the secretary of state (Asia-Pacific region) is one of the government's fastest-rising stars. Charismatic Chan—based in Mandarin Chinese and Cantonese—has an upstart role in the two hugely successful Trans-Canada trade missions to Asia. At home, he is the party's conscience on human rights—and an increasingly effective Liberal headmaster within the Canadian-Chinese community. And his early aversion to public politics is giving way to a more serene understanding of responsibility. But to really get ahead, he will have to advance beyond the backbiting that exists between most of the six members of the BC Liberal caucus.

3. Matthew Coon Come

Every time the Cree of northern Quebec appeal for international recognition of their right to self-determination if Quebec secedes, sovereigntists gnash their teeth—and federalists lean Coon Come, the Cree's anti-army, articulate leader, known how to play that game to the hilt. More than any other office group, Quebec's Cree have established a distinctive profile, particularly



Coon Come, Chan (left)

in Europe. But Coon Come has to learn to expand his influence beyond constitutional issues. And sympathy for extreme sovereignty could frustrate once English-Canadians realize the potential effects of the same clause in the other nine provinces.

4. Brian Levitt

Almost any head of a Montreal-based corporation becomes, by default, a key player in the unity battle. Levitt, who recently took over the job of Inasco Ltd. CEO from the retired Percy Crawford, wears that responsibility well. Inasco, like many large corporations, goes out of its way to hire former government types who can help explain how Ottawa works. Two of the most prominent now at

Inasco are Norman Spector, a former chief of staff to Brian Mulroney, and Jack Walsh, a well-thumbed longshore. Tory who is close to Jean Charest. "We like this guy a lot," says an adviser to Charest.

5. Kevin Lynch

Industry is a department with few exclusive responsibilities, but it must work with many different ministries to succeed. Lynch, who became deputy minister last year, is credited with managing that. What he and servants talk about colleagues on the rise, his is the one name that always comes up.



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Collette with the troops in Bosnia on his "last tour" in 1995.

The Collette shuffle

The taint of Somalia still plagues the Liberals

BY KAYE FULTON

Even before his aides found the letter, David Collette knew that his turbulent career as Canada's minister of defence was about to end. Alarmed about a reporter's access-to-information request for immigration and refugee Board file 907501, Collette had overestimated his work through official government channels, from the federal board to the Privy Council Office. Finally, last Tuesday the implications landed with a thud on the desk of Prime Minister Jean Chrétien. At issue was Collette's signature on a letter to the board last March that urged that "flick attention" be given to the appeal of an aging Toronto woman whose husband had been turned down for permanent residency status in October, 1995. By writing on his constituency's behalf, Collette had violated Ottawa's ethics guidelines that forbade cabinet ministers from communicating directly with independent federal bureaucrats. When audio in Toronto found the matching original letter after a four-hour search through 1,600 immigration files, Collette's last immigration letter in hand, spent as

hour alone with his old friend Chrétien at 24 Sussex Drive on Thursday night. The next morning, he stepped down, presiding at a major cabinet shuffle. "Where you make an error of this nature," said Collette, "one has no other recourse."

Despite the loss of a trusted cabinet minister from Chrétien's cabinet, Collette's departure occurred at a convenient juncture for the Liberal government. Haunted daily by opposition critics in the House of Commons for his handling of the drawn-out Somalia scandal, Collette was a visible reminder that the Liberals have a long way to go to prove to voters in an election some months away that they are ready to move forward. His replacement as defence by former human resource development minister Doug Young—a politically savvy trouble-shooter with a short fuse—led to speculation that the Liberals are prepared to abandon their support of chief of defence staff Gen. Jon Boyle, implicated even further last week in the illegal alteration of Somalia-related documents. Still, the relatively an-
 nouncement of Collette's so-called "inadvertent error" in the face of the largest, more damaging Somalia imbroglio raised suspicions about the Liberal government's motives. "The letter provides a con-

venient excuse for Collette," said Reform defence critic Jim Hart. "They were obviously looking for a way that Collette could leave easily. They found it." Abdel Raziq Quebec MP Sussane Thériault. "This smells of a plot."

The shuffle will not change the Liberal political agenda. Told by his staff last Wednesday morning that trouble was looming, Chrétien summoned Young to 24 Sussex on Thursday night, satisfying himself that the New Brunswicker had followed the framework for the massive overhaul of Canada's social system. Only the next day did he offer Young the defence portfolio he wanted—a few hours before the emergency to convene at Ottawa Hall on Friday. Chrétien then reached past team senior Liberal MPs to promote Minister of International Co-operation Pierre Pettigrew, a vocal Quebec MP who was also responsible for relations with francophone nations, to Human Resources. And he pointedly turned to an Ontario francophone, governor-in-waiting Don Cousens, to fill Pettigrew's job.

But those changes are unlikely to remove the taint of Somalia that hangs over the Liberal government. Since his appointment to defence in 1993, Collette has stumbled into one problem after another—most of them connected to the ill-fated peacekeeping mission to Somalia in 1993-1995. In the midst of a fiscal budget crisis, Collette angered the military brass in 1993 by disbursing the elite Canadian Airborne Regiment, a large part for an involvement in the killing of a Somali teenage prisoner. But Collette's stubborn defence of Boyle as late as last week demonstrated even closer political associations. On Friday, Young deftly distanced himself from

claims that subordinates conspired behind his back. Instead, Gosselin told the inquiry that he and Boyle, then associate assistant deputy minister for policy and communications, met twice in October, 1993, to discuss the allegations—purports Boyle said he does not recall. According to insiders, the inquiry would follow Boyle's testimony with an interim, and likely critical, report. As well, federal Privacy Commissioner John Gosselin has told associates that he too may reveal the Somalia affair, with a second investigation that will include Boyle's involvement in the alleged tampering with documents.

Until last week, the conventional Liberal assessment was that Collette, and perhaps even his personally loved associate, Boyle, were safe—at least until the Somalia inquiry rendered its final report next year. Assured of Chrétien's unshakering support, Collette pladdled ahead with the restructuring of Canada's demoralized military. By mid-October, he planned two "good news" announcements: the beefing up of the military reserves, as well as the introduction of a new system of military justice. But those plans were dashed by a telephone call to Collette's office at 4 p.m. on Tuesday from Chrétien's chief of staff, Jean Pelletier. The Prime Minister's Office had learned of an immigration document—with the name of the clerk and the date of the letter traced in accordance with privacy regulations—on the MP's constituency letterhead and, more importantly, with the defence minister's signature. Shaken by opposition horse over foreigner's signature, Michael Dwyer's written intervention to the CRTC in 1994 on behalf of a constitutional applicant for a radio station per-
 sonal, the Liberal government or-
 dered its cabinet ministers to



Chrétien with Young (left), Boyle and Pettigrew, raising suspicions about the government's motives

dered its cabinet ministers to sever similar requests through the newly created ethics office. Collette, the last on cabinet intervention, which had been limited to contacts with members of the judiciary, was expanded to all federal ministers in 1995.

Ironically, Collette said Friday that he did not remember the woman involved or what he had asked on her behalf. In fact, one of the four employees at his Don Mills office in northern Toronto wrote the letter as immigration chair Nijar bin Mawlawi. "It was a staff error and he took full responsibility for it," continue my assistant Laurence d'Souza told Mawlawi's fir, as Collette himself described it in his seven-paragraph resignation letter to Chrétien. "I wish to assure you that my sole motive was humanitarian concern for my constituent. There was no ill intent, no partisan purpose and no question of personal gain in my letter."

It is not that the Liberal government expects any lasting ripples from Collette's transgression. To the contrary, Chrétien suggested last week that his loyal friend will quickly return to cabinet—presumably in another portfolio. And Liberal strategists were gloating that Collette, an experienced campaign organizer, would be first as a backbench MP to rebuff the party's battle plan for the upcoming federal election. In the end, Collette's resignation may prove to be one more illustration of the Liberal's uncanny ability to turn an embarrassing error into an advantage.

With JANE DEMONT and LINDA HENSEL in Ottawa

Anthony Wilson-Smith



Backstage Ottawa

Flawed as a practitioner, Bourassa lived for politics

It was mid-April when Robert Bourassa welcomed a visitor into his home in the Montreal municipality of Outremont. In the 30 years since the visitor had first gone there, the décor looked unchanged: the chairs were usually put together, and upright. The same was true of Bourassa. At 62 years of age, his dark hair only slightly touched by grey, slim and clad in a shapless wool sweater, open-neck shirt and slacks, he looked a decade younger. Ten years previously, Bourassa had just become premier again. In the course of a three-hour conversation, a became apparent that he wished he still was. "If only," he sighed several times, "I knew that my health would hold up, I would be very inclined to go back."

By then, he had private surgeons that would not be the case. Despite the appearance of robust health, he sometimes felt dizzy. The week after that visit, he cancelled plans to see a friend who wanted to plan a conference with him later in the year. Let us see first, Bourassa said, how I feel. Less than six weeks later, he entered hospital, never again to leave it.

Bourassa always liked to laugh, even when the target of humor was himself. He was comfortable with neophobes, but never with the English language. He repeatedly mispronounced certain words by emphasizing the wrong syllable, so that a serious discussion of fiscal realities in his province evolved into errors when he talked about the "in-CON-omic COM pan i-tion" of Canada and its importance for all "QUEBEC-ers." Because he considered the mixing of certain similar-sounding words in French and English and forgot that English does not use reflexive verbs, his account of a meeting with a visiting politician was rendered improbably—and inaccurately—lively when he explained, "I exposed myself in her for several hours."

But Bourassa certainly had the last laugh.

The greatest example of that was his comeback in 1983 after he was written off as politically dead in 1978. He tried to offer himself up as a candidate to the Liberal leader Claude Ryan in the 1981 election. Ryan rebuffed him, saying "I would rather lose without you than win with you." But Bourassa kept Ryan on, and made him a senior minister in his own cabinet after he won the 1985 election. He seemed to have won the victory. He kept his seat in the legislature until he died in the late 1980s by giving him work, including contracts when no one else would hire him, and named Jacques Parizeau to a ministerial commission after Parizeau first quit politics in the mid-1980s.

Bourassa never seemed happier than on those occasions when he privately discussed politics. He once sat short a vacation in London to fly to Norway, when he learned that country was having an election. In Paris, he had Quebec newspapers shipped to him daily at his hotel. After his retirement, he spent hours of his day every day watching the televised debates of the National Assembly. His

highest reproach of his friend Brian Mulroney's early days in power was that "Brian postponed tough decisions that he should have made in his first year in power. That is when you do the hard things." That was ironic, given that most of Bourassa's own later political problems came from his offering in the late 1980s to whether to again allow English on commercial signs. (If Jean Charest, he spoke carefully, misheard: "It is a pity that he does not understand his own province, anywhere near as well as the rest of the country.") He liked Lucien Bouchard—who he telephoned often in recent years, seeking advice—and remarked what a worthy adversary Bouchard would have been. He did not believe that Bouchard, in his heart of hearts, was a separatist. For example, he pointed to a speech that Bouchard gave in the final week of the referendum campaign. In it, Bouchard compared a Yes vote to giving a union a strike mandate that would allow it to bargain for a better deal. That, Bourassa said, was what you would hear from someone who simply wanted a better country—not a new one. He expressed his strong, though unadorned, belief that in the final week of the referendum campaign, when the Yes side totally led in the polls, Bouchard deliberately let up, speaking less often and less passionately.

Bourassa's own commitment to Canada was something that many people debated. But he took part in three rounds of constitutional negotiations, and twice signed agreements that would have bound Quebec more than ever in Canada. As a private citizen, he spoke strongly on behalf of Canada in two referendums.

In Bourassa's first tenure as premier in the early 1970s, he installed everywhere with a hairdresser in tow to treat a case of "seigneur hair." Journalist Jean-V. Duvalois memorably described him then as looking like "the scolded passenger of a credit union." By his second incarnation in power, he had filled out physically and emotionally. After he was re-elected as leader, he stayed at a roadside, \$49-a-night hotel in a Quebec City suburb because the answer was once in him when he was out of power. When guests started him at his house during his time as premier, he passed his husband, and made sure that all telephone calls were answered by staff, so he returned later.

Several weeks before Bourassa died, Claude Masson, the assistant publisher of the Montreal daily *La Presse*, wrote an open letter to the newspaper. Masson told Mr. Bourassa that if only he could have met all Quebecers in groups of three or four, he would have been re-elected forever.

Like all politicians, his legacy will be attacked and defended long after his passing. But the outpouring of grief from Quebecers of all stripes last week suggested that they finally reached the same conclusion about Robert Bourassa: he was a flawed politician, but a great success as a human being.

'It is a pity that [Chrétien] does not understand his own province anywhere near as well as the rest of the country'

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Sudbury General Hospital: 700 lost jobs?

its attack on the province's \$3-billion deficit, is determined to save \$2.3 billion from its usual hospital funding by 1999. And as has happened in other provinces where similar steps have been taken, there is growing public concern that the government is moving too far, too fast—and perhaps putting the health-care system at risk. That feeling was certainly apparent last week in Sudbury, a community of about 53,000 nestled on the shores of Ramsey Lake, about 400 km north of Toronto. Residents flooded radio hotlines with complaints over the closures, including one CBC caller who suggested that the only way for the region to preserve a decent health-care system was for Northern Ontario to form its own province. The local newspaper, the *Sudbury Star*, commissioned a poll of 400 citizens, and discovered that 83 per cent of them believed that the proposed changes would lead to a deterioration in the quality of health care, compared with five per cent who thought they represented an improvement. Responses were asked to rank up their reactions in a word or phrase. Among the most plausible responses: "Annoyed" and "they screwed up."

The hospital cuts were also a hot topic of conversation in Sudbury online shops, restaurants and bars. As they tucked into their lunchtime fish and chips at the Sudbury City Centre food court, Jeanne Deshaene and Lorraine McGregor, both longtime residents of the city, said that the quality of local health care had already declined in recent years, with patients having to wait for longer periods at the emergency room or even for everyday appointments with their family doctor. "Pretty soon, people will be faced with going to Toronto if they want treatment," said McGregor. Deshaene said of the proposed hospital closures: "It's scary. You just wonder when it's going to stop."

As much as the residents of the city, what upset many Sudbury residents was the way the decision was taken. Unpublished in January, the Health Services Restructuring Commission works at arm's length from the government. After consulting with the community in a questionnaire, it has the authority to order a closure of services, without having to seek any further approval from the minister of health. In the case of Sudbury, the commission held two days of meetings in the city in July, and reviewed over 50 written submissions. It also considered a 1995 report by the Sudbury District Health Council—the body that normally advises the minister on regional health concerns—which had speculated that two years ago putting together a hospital reorganization, plus: The council had

CANADA

Condition critical

It is a day that Deborah Parker will always remember. Though it is one she would prefer to forget. On Aug. 14, Parker's five-month daughter, Samantha, was struck by a half-ton truck while crossing a street in the Northern Ontario community of Sudbury. Thrown for about 12 feet, Samantha landed headfirst on the pavement and soon slipped into a coma. After she was rushed to the Sudbury General Hospital, where trauma team administrators began the work, it was clear that her vital signs gradually improved, but she remained in a coma for 18 days. Samantha is still in hospital, undergoing rigorous physical therapy and slowly regaining how to walk and talk. So when Deborah Parker learned last week that a provincial commission had ordered the closure of two of Sudbury's three hospitals, including the Sudbury General—a move that will eliminate 300 beds and jeopardize as many as 700 jobs—she was outraged. "The people who work at Sudbury General saved Samantha's life," Parker told *Maclean's*. "Without them, I would have lost her."

That kind of fierce attachment to a hospital and its staff is a common trait among Canadians. Hospitals are where a child is born, where an illing friend recovers, where a dying mother spends her final days. And politicians have learned that they sever these very personal ties at their peril. Deficit-conscious governments in several provinces—most notably in Alberta, Saskatchewan and New Brunswick—have met with stiff public resistance as they tried to shut down hospital beds, close health



Northern Ontario is reeling as hospital closures hit home

Who's crying: 'Everybody's crying?'

care facilities and even prioritize the sorts of services that political leaders used to describe as a sacred trust. Now, it is Ontario's turn. Late last week, the Health Services Restructuring Commission, the same body that ordered the Sudbury closures, released its final report on downsizing hospitals in another Northern Ontario city, Thunder Bay. The result: three of the city's five hospitals are slated to close by 1999 and nearly half of its acute care beds shut down. In the next few months, the commission will turn its attention to several other major Ontario centres, including Toronto, where at least 11 hospitals are expected either to disappear or be amalgamated with other institutions, eliminating up to 10,000 jobs.

All of this is being done at a time when Ontario's Conservative government, as part of

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CANADA

had recommended closing only one hospital, the Memorial, while keeping the other two, the Lauretman and the Sudbury General, open. Such a move, it estimated, would affect about 200 jobs and save about \$55 million annually.

The commission went further, though, declaring that the Sudbury General—the region's only Catholic health facility—should also be closed and that all the city's hospital services should be combined on one site—the Lauretman. By reducing waste, inefficiency and duplication, the commission says that its plan could save more than \$40 million a year—or about 25 per cent of Sudbury's hospital budget. And while the commission declined to put a figure on the prospective job losses, health-care providers in the community estimate that between 500 and 700 jobs could be at risk—a fact that is sending a chill through the ranks of hospital workers in the city. "Everybody is frightened," says Janet Hala-Bebian, a senior lab technologist at Sudbury General. "People are really on edge."

Deborah Dunn, director of community relations at Sudbury General, criticizes the commission for failing to respect local concerns. Her hospital's board is also urging Ontario Health Minister Jim Wilson to live up to earlier commitments to preserve decentralized health care. But Dunn is most disappointed that Wilson, by appointing the commission, has managed to distance himself from the process of health-care cuts. "The commission isn't accountable to the electorate," she says. "How do you fight that when you elect a government and they hand the ball over to somebody else?"

The commission does have some champions among the Sudbury medical community, however. John Melloy, the director of the emergency department at Memorial Hospital, says that it is a historical anomaly that Sudbury should have three distinct hospitals within a half-mile of each other. Most local medical people, he adds, have long recognized that merging operations makes sense both fiscally and in terms of patient care, but have been unable to get their act together—or, part, because of religious differences. "There are too many people with vested interests to make objective decisions," Melloy says. Church, a local nurse in Memorial, echoes that view. And even though her own job may be at risk, Church says that the province's fiscal crisis has to take precedence. "We're feeling sorry for ourselves, but if we don't do something, our kids are going to be a lot worse off than we are." As it has been in the rest of the country, the debate over the future of health care in Sudbury—and the rest of Ontario—promises to be long and divisive.

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CANADA

Bumper to bumper



Stankiewicz still hoping to harvest, but it just looks awful while out there right now

Two bright red Massey Ferguson combines stood idle at the edge of a field blanketed in heavy white snow. Beside them in 40-year-old Ronald Stankiewicz, surveying a cornfield during a rare 12-hour stretch last month when it was dry enough for combining. Stankiewicz, his father and brother and their spouses farm 6,000 acres of wheat, canola, peas and barley near Three Hills in central Alberta. Since they started to bring in the crop in mid-August, there were hard frosts, sometimes a few days at a time, when they could run all four of their combines almost around the clock. They even took off some top-grade wheat—until it started raining again. In fact, the weather has been so cool and wet that his dad they had only harvested about a third of their crop by early last week when the rest all was buried beneath snow—steadily diminishing both in quality and price. "It's hard to quantify it," says Stankiewicz. "But every day that goes by and I don't have it stored safely in my bins, I'm losing so many dollars an acre."

As the year's weather preoccupies it not just the Stankiewichs but farmers across the Prairies last week, federal Agriculture Minister Ralph Goodale walked into another

chronically contentious issue. In Regina to make a long-anticipated announcement on the future of grain marketing, he raised the prospect of revamping the much-maligned Canadian Wheat Board. Goodale dashed the hopes of some farmers who hoped to be freed from selling all their wheat destined for human consumption or export through the 81-year-old Crown agency. But at the same time, he announced plans for a poll, to be taken early next year, asking farmers whether they want to sell their barley as a completely open market for all sales, breed loose board control. Among other initiatives the government is considering, he said, is replacing the intensely

oppositional commissioners who now run the board with a new board of directors—a majority of whom would eventually be elected by farmers.

Pressing Goodale's initiatives, wheat board chief commissioner Lance Helin said the new system would "bring us closer to the farmers and give the farmers a decided say in how the board functions, and therefore greater accountability." But several producer groups have been lobbying for even greater reforms. Alberta Barley Commission general manager Gibson Foster, for one, was critical of the question Goodale will be asking in his poll. He said that farm-

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ers have not been calling for the removal of barley from the board entirely, just for the freedom to choose whether they own the board itself. He also noted that there was no movement as it was also the board's responsibility on what sales. Goodale's an answer said "absolutely doesn't go far enough," added Foster. "Until we deal with the fundamental freedoms of farmers to manage their own businesses to their own best advantage, we are not going to resolve this problem."

Freedom is a recurrent theme among critics of the wheat board. Many farmers say that they could get better prices than the board offers by selling their grain directly to buyers in the United States, for example. Supporters of the board contend that farmers get a better price overall by selling through a single agency, rather than competing against each other. And they argue that any move towards a dual system, as which farmers could opt in or

out of the wheat board, would lead to the board's demise.

It is much more than a polite citizenship debate. While barley growers are challenging the constitutionality of the board, the Alberta government has launched separate legal challenges against aspects of the board's monopoly. Meanwhile, 129 individuals face various charges related to the illegal export of grain to the United States.

As hot as the issue has been over recent months, though, the cool weather that blew across the Prairies only last week—recent snowfalls in parts of Alberta and Saskatchewan, and frost, burnes and rain elsewhere—was for many farmers a more immediate concern. More than half of what was supposed to be a bumper crop of grain has not yet been harvested. And the wheat that came of the fields early this fall was of exceptionally high quality. But 40 to 45 per cent of the crop remains to be harvested. "I still expect it will be a record volume," says Paul Ballock, director of weather and crop surveillance for the Canadian Wheat Board, but weather damage means that the overall quality will now be below average. And with big yields and spring wheat going for an estimated \$186 a tonne at the time of the report in Alberta, while off-board feed grain prices last week were in the neighborhood of \$136 a tonne, the cut in quality means a significant reduction in revenues. "Every time you drop a grade," observes Ballock, "you're taking money out of farmers' pockets."

Meanwhile, wheat prices are also down from their record levels earlier this year due to increased production in several grain-producing countries. The prices are still relatively strong, however. As recently as five years ago, top grade red spring wheat was fetching a dismal \$1.14 a tonne at the Alberta farm gate. But feed prices this year could add half of continuing bad weather produces an exceptional volume of feed grain.

What farmers like Stashevsky need now is a warm, dry, windy spell. In fact, it is not unusual to be harvesting in October. Stashevsky recalls one year when it snowed as early as August. Another year, he did not even start harvesting until Oct. 22. Standing in one of his wheat fields, he brushes some snow aside and picks a head of wheat, rubbing the chaff off between his hands. Some of the kernels show the tell-tale wrinkles of frost damage. And he says he has lost the middle range, a sign that they are starting to lose some weight.

"I'm still an optimist and I think I'm going to be harvesting again some time this fall," says Stashevsky. And he is still hopeful he will be harvesting No. 3 wheat instead of feed-grade grain. "But it just looks awful white out there right now." At harvest time, the personal baggers of weather and politics had mixed their heads again.

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MARY NEMITH on Three Hills

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THE YUKON VOTES

The new leader of the Yukon, Piers McDonald, a former minister, announced he will seek to reach seven outstanding land-claim agreements in the next year. McDonald's New Democrats took 10 of the 17 seats in last week's territorial election. In a bizarre twist, the Yukon Liberal party and the Yukon party each won three seats, while the NDP and Yukon party tied 68 to 60 in Yukon-Georgetown riding. Unless a recount breaks the tie in Yukon-Georgetown, the winner will be picked by drawing a name out of a hat.

A SENATOR'S TRIALS

The Supreme Court of Canada says it will hear an appeal against Senator Michael Cogan's acquittal of charges that he profited from promoting government business. Quebec's trial and appellate courts found the Tory senator not guilty of lobbying the federal government on behalf of a businessman from whom he received \$50,000.

VICTORIOUS GAYS

The Ontario Human Rights Commission ordered Ontario municipalities to offer same-sex benefits to gays and lesbians. The ruling, based on complaints by two Metropolitan Toronto employees, held that the federal Income Tax Act is discriminatory because it denies the transfer of pension benefits to the partners of gays and lesbians if they die.

HIGH-ROLLER ADDICTS

Fearing that addictive gambling may be consuming the Alberta Alcohol and Drug Abuse Commission will launch an investigation in November. Three years ago, 106,000 Albertans were found to be problem gamblers. Since then, sales lottery terminals have gone from a few hundred to 6,000 and the number of calls to the agency's crisis line has more than doubled.

AGREEMENT DENIED

Finance Minister Paul Martin's hopes of overhauling the Canada Pension Plan by January stalled when he could not reach agreement with provincial ministers at a meeting in Ottawa. With Ontario and British Columbia dipping in their heels, the 20-year effort to revise the CPP appeared far from over.

Reform loses its leading moderate

A simmering feud between Preston Manning and Calgary MP Stephen Harper, the leading moderate in the Reform party's parliamentary caucus, has ended with Harper's decision not to seek re-election. Regarded as the most cerebral of Reform's MPs, Harper was one of the leading members of the party and was instrumental in building it from a fringe protest movement to a powerful western political force that captured 52 seats in the 1993 election. Recently beleaguered, he won his seat by 15,000 votes and became Reform's most prominent spokesman next to Manning.

The two men publicly disagreed over the Charlottetown constitutional accord in 1992. Later, Harper criticized the leader for taking a \$1,000 expense allowance from the party he was also owed from Manning to tolerate extreme statements from other Reform MPs on subjects like gays and visible minorities. Gradually, Harper found himself left out



Harper, troubled with Manning

of the decision-making on important Reform policies, including its strategy as a national party.

Harmaning has decided to get out of politics, Harper, 37, cited family reasons. His wife Laurence Tisdley gave birth to their first child, Benjamin, in April, and Harper found the commuting between Ottawa and Calgary increasingly wearing.

He refused to be drawn into a reprise of his differences with Manning—"I've had some good times and I had some bad times, but overall I don't regret my involvement in the Reform party," Manning was gracious, if cool, about Harper's departure. "We respect his decision, but we're sorry to see him go."

Harper ruled out any desire to seek the party leadership in the future. "He may join a university or a think-tank. There was speculation, however, that he might take over the National Citizens' Coalition where David Scottville steps down next year.

Milligan triumphs in P.E.I.

Keith Milligan was chosen leader of the Prince Edward Island Liberal party and is expected to take over as premier this week. He will replace outgoing Premier Catherine Callbeck, who announced her resignation last spring after a poll indicated the Liberals would lose the next election—only to see their popularity rebound after her announcement. Milligan, 45, the province's minister of transportation and public works, won a first ballot victory over treasurer Wayne Chevone, also 44—who had implemented the budget cuts that reduced civil-service wages by up to 7.5 per cent—and two other candidates at a party convention in Charlottetown. The final tally: Milligan, 2,257 votes; Chevone, 1,458.

A son of Mike Green Peed in the province's remote western end, Milligan is a former teacher, civil servant and ad sales manager who has been a legislator since 1981 and held several cabinet posts. Married with three children, he lives in Charlottetown but still raises horses and elk on his family farm. In the leadership race, he avoided making campaign promises and openly courted the rural vote against three opponents from the capital. "Growing up in rural P.E.I., he told the voters, "you have a sense of caring about your neighbors and fellow Islanders." Milligan is expected to call an election soon.



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Netanyahu and Arafat reluctantly agree to go back to the table

upon." Arafat said after the Washington summit.

Hebron's Palestinians and Israelis have not been more estranged since February 1994, when Jewish settlers bludgeoned Golda Meir in a drive-in. 20 Muslims in the Abraham Mosque, which the Jews revere as the Tomb of the Patriarchs. Outside the shrine a large banner now proclaims "Hebron for our ancestors, for our children, forever!" The only thing that unites the two embattled communities is skepticism about the chances of resolving the problem. "Hebron is the test for Israel's government," said Mayor Mustafa Natsah last week. "Do they want to move forward? Or do they want to block the way? If there is no progress soon, this area will return to violence."

Already Hebron seems to have sunk back into the familiar pattern of the embleth, the year-long Palestinian rioting that ended with the signing of the Oslo peace plan in 1993. The Wednesday morning rioters walked into Mayor Natsah's office to lodge a complaint against Israeli border police for detaining them for eight hours. "They took us to a checkpoint near the Abraham Mosque," said Abed Haddad, 24, "and started beating and searching us."

We said we had done nothing," he says. They clubbed us in the groin with clubs. The 16-year-old cousin, Bahjat, and a border policeman had wanted to use a Coca-Cola bottle and ordered them to drink it. "When we refused, they beat us again until we had to drink," says Arafat's authority were investigating.

Mayor Natsah blames economic deprivation as well as the continued occupation for the rioting. He says the frustration of local residents is a factor.

"We are in a dangerous situation," he says. "Our people are suffering. They can't go to work, they're short of food. Their children can't go to school." Hassan Abu Mazen, a 43-year-old postal worker who has not been paid for two months, is struggling to feed his eight children. "We work up when things look bad. There's a groove up the road who gives us credit. Mostly, we eat rice and lentils."

Across town, the Jewish settlers' spokesman, Naim Arnan, said Netanyahu would not dare to take the army out of Hebron. "After last week's firefights, everyone knows they are murderers," he said of the Palestinian police. "Netanyahu won't do it." And he did it? "If we have it, we'll defend ourselves."

The Israeli government played down Arnan's suggestions that 45 days was the approximate time frame for redeploying the Hebron troops. All

such issues were clearly still on the table. Netanyahu did not even make a symbolic gesture of clearing the way out to support Israel's position that was the trigger for the deepest animosity of events. "One thing is very clear: we are not out of the woods," said U.S. Middle East coordinator Dennis Ross after the Washington meeting.

Rarely in the history of Middle East diplomacy had there been such an imposed summit with high stakes. Egyptian President Hosni Mubarak, normally the key regional middle-man, refused to attend, reportedly furious with Israeli attitudes. Relations were so strained between Arafat and Netanyahu that the two would not agree to meet unless U.S. President Bill Clinton himself was there. Early on came another early move after a lunch at the White House library. Clinton and Jordan's King Hussein, the fourth summit, resumed the talks and Israeli and Palestinian peace with their counterparts for three hours. Then, their aides stayed up arguing until 4 a.m., making no headway. Arafat was ready to leave the summit by the middle of Wednesday. Only when a different team was put on the table did he agree to stay.

In the end, their faces told the tale. At a closing session conference, Arafat and Netanyahu each shared a moment with angry shouts. By agreement, neither took the podium for fear a misplaced word or phrase might make things even worse. It was left to Clinton to put the best face on the outcome that at least the two sides were talking. "When we compare where we are today with where we were a week ago, we are in better shape?" Yes, Clinton declared that if the results seemed that, they did no harm to his standing in the presidential election campaign, polls still showed him up to 14 points ahead of Republican challenger Bob Dole.

The summit had a greater political impact on the other two key participants. Netanyahu, who smiled and pumped Arafat's hand for the cameras, returned to a hero's welcome in Israel from rights activists with a delegation for the first time in the shadows, that is the Arab world. The summit was viewed as a success. Arafat did not appear at a scheduled news conference in Washington, and his top aides made it clear they thought he had been had. Before going home, he headed to Morocco and Tunisia, his popularity ebbs since again. "Arafat said us all," said U.S. White House a 43-year-old Palestinian housewife in the al-Mar Elias refugee camp. "He does us represent as any more and we do not care about his negotiations with the Israelis." Still, Palestinians on Arafat's staff seemed to be extending his grace period until the next talks.

Netanyahu was already in a project a new report with Arafat in advance of the talks talks—perhaps in response to a new report showing that 79 per cent of Israelis were worried about the security situation. Palestinian had yet to be convinced of his sincerity, especially since Netanyahu wants to amend the security formula already set for Hebron. "Give you signs an agreement, you honor it," said Arafat's minister for higher education, Hassan Abu Mazen. "Netanyahu is trying to impose his own version. This is a very dangerous precedent." Just how dangerous will become clear in the days ahead.

NOAH PERKINS with ANDREW PHILLIPS in Washington and ERIC SCHWARTZ in Hebron

Talks and tension

In the hotly contested West Bank town of Hebron last week, the supply stream left as anxious as they were quiet. Or rather Jewish children played in a few yards, but a 20-hour curfew confined 150,000 Palestinians to their homes. Only between 3 a.m. and 5 a.m. were they allowed to go out for supplies. While the town's 450 Jewish settlers were celebrating the fall festival of Sukkot, most of the Palestinian residents were seething over the meagre results of an emergency summit in Washington. Ezzamir Schak, a 27-year-old who normally sells spices in the Hebron street market, was deeply pessimistic. "Our situation is not going to get any better," he said from the doorway of his home. "The talks won't be good for us, only for Israel." In Hebron and throughout the West Bank and Gaza Strip, the sides—and the tensions—were rising ahead of new summit-agreed negotiations set to begin on Sunday.

As the work went on, both sides were poised for any flare-up that could require the bloodshed that took the lives of 50 Arabs and 16 Israeli soldiers. Tanks and sharpshooters were deployed around key towns after Israel's defence minister promised to "crush" any renewed protest. And yet by the weekend, as Palestin-

ians and Israeli negotiators reluctantly prepared to meet again at the Erez checkpoint on the Israel-Gaza border, the calm was holding.

After Friday prayers, the malls of Jerusalem and other Muslim centres quailed a protest at the highly charged Al Aqsa Mosque complex by about 300 youths who looted calls by the Islamic fundamentalist group Hamas for "total confrontation" with the Israeli Israeli Prime Minister Benjamin Netanyahu, meanwhile, ordered some troops to begin pulling back from sites in the autonomous sectors and relaxed curfews and travel restrictions. And he made a special appeal to Palestinians in an interview with Israel Television's Arabic service. "Ask you, don't go into mourning," Netanyahu said. "Don't lose hope. This is an opportunity for a fresh start."

The focus of the new talks in Hebron. Under a 1993 Israeli-Palestinian accord, the troops were to leave last March, but a wave of suicide bombings that killed 57 Israelis delayed the plan. Netanyahu has said that security concerns are still too great to carry it out. But as the last West Bank city still under occupation, Hebron is the key issue for Palestinian leader Yasser Arafat. "We insist they implement accurately and honestly what has been agreed



Arafat and Netanyahu (top): Palestinian curfew-breakers disturbed in Hebron; "Don't lose hope. This is an opportunity."

How much to cut?

A tight election may have lessons for Canadians

The 3,000 protesters who marched through the streets of tiny Rotorua to New Zealand's Par National last August, the case of 81-year-old Harry Pinley goes to the heart of what their country's election has revealed in all about. To some Canadians, it may seem the Ghost of Election Future—adult Canada fully embracing New Zealand's election—could result in downgrading the welfare state. But Harry's wife of 54 years, Ila, 81, has helped on the fiscal public hospital, a victim of Alzheimer's disease. The local health system is taking him to court because he has stopped paying his \$600 weekly bill for her care. Harry, who now earns more than \$20,000 a year, says they both paid for all their working days when New Zealand had a low health system and he should not be forced to spend all his savings in her dying years.

In this massive hospital, the government pays the cost of 24-hour care for an equally helpless man because he was critically injured in a car crash. The authorities say the road victim is "ideally fit" and therefore entitled to free care. Alzheimer's they say, is an "age-related condition" and Harry must pay for it—like all other long stay patients over 65 with dementia. Harry—who says, "I had never guessed about anything like this"—is prepared to go to jail rather than pay up.

Opinion polls show that New Zealand's radically revamped health-care system is not a loss in the G-10 election, which most analysts believe is too close to call. Prime Minister Jim Bolger is a champion of New Zealand's 13-year-old economic revolution, to which one of the most regulated economies in the non-Commonwealth world has become one of the freest. In the process, its growth rate has soared, unemployment has fallen and the government accounts now post a surplus. But the left-leaning opposition is hammering hard at how health care, downsizing and the privatization of social services have hurt New Zealanders like Pinley.

Under the reforms, the public health system was redesigned to run on commercial lines, with users paying for many services that were previously free. Public hospitals serving small rural communities were closed. The rest were restructured. Crown Enterprises, or CFEs, and business-minded managers were brought in to run them. They must compete for government funds with each other and with private hos-



Bolger health care as the number 1 issue

POLES APART! I+D

Physically and politically, New Zealand may be most similar to British Columbia. Both have mild weather, fertile and highly farmed valleys (New Zealand also had an Alberta-modelled Social Credit party for several years). But economically, New Zealand is in a class of its own. A recent study showed it had made the greatest changes to its economy of 23 industrialized countries in the past decade. Canada ranked 18th. A comparison:

	NEW ZEALAND	CANADA
Population	3.6 million	30 million
Economic growth	2.1%	1.9%
Income per head	\$22,366	\$26,347
Inflation	2%	1.2%
Unemployment	6.1%	9.4%
Budget deficit (-) or surplus (+)	+\$3.7 billion	-\$4.5 billion
External debt per person	\$15,774	\$26,505
Top income tax rate	33%	29%

sources: Statistics Canada

poor practical fix

pitals, which are allowed to bid for operations funded by the state system. The aim was greater efficiency and, the government promised, the best public health service in the world.

The reality has been a rise in public hospital waiting lists from 63,000 three years ago to 94,000 today, despite an extra \$1 billion in health spending in the same period. Health Minister Jenny Shipley says more operations are being conducted this year than last, but operating margins are still at times negative, surgeons have exceeded their permitted quotas and their CFEs have run out of allocated funds. Today, as confidence in the public system continues to fall, New Zealand has a full-blown two-tier health system. An estimated 15% of patients at the country's 3.6 million people are now covered by private health insurance.

Bolger, whose conservative National Party has governed since 1990, responds in his critics by pointing to the country's overall performance. Having turned the budget into surplus for the first time in nearly two decades and cut income taxes in July, Bolger promises that "the heat is yet to come." His administration, which has held an abjectly slow being re-elected with a one-seat majority in 1993, predicts continued economic growth, faster surpluses "as far as the eye can see," more tax cuts over the next two years and a better health service.

But public health voters are not convinced. Bolger's party has virtually unopposed support from the business community, there is wide public concern about the effects of the reforms on such areas as health, education and public housing. The opposition parties argue that New Zealand's free-market policies have benefited the rich and created an underclass living in a state of poverty unseen since the Great Depression. They cite an eightfold increase in Salvation Army food parcels to the poor since 1989, a rise in poverty-related diseases such as tuberculosis and scurvy, and teachers' tales of hungry kids at school. The lost get surplus, they say should be used to restore benefits that were cut by up to 35 per cent in 1991. Some \$600 million of this year's nearly \$1 billion worth of cuts, critics complain, went to the top 30 per cent of income earners. "There is deep inequality in New Zealand," says Jim Anderson, leader of the left-wing New Zealand

Alliance. "We have lost our soul as a country." Canadians in the country see things less starkly. "There is no question that some people are poor," says Ken Gault, a British Columbia who is now a professor of law at York University in the North Island city of Hamilton. "But there are very few signs of the level of poverty you would see in an American inner city." Moreover, adds Neil Gargley, a professor of money and finance at Victoria University of Wellington, "some middle-class families are in New Zealand to protect the assets." In fact, 19 per cent of all wage-earners' people still receive some form of state support. Gargley, who formerly taught at the University of Western Ontario, believes the reforms have strong support. "Across the economy as a whole," he says, "there is no doubt that a substantial majority of people think that what has been done in the last decade is good."

The election, says Gault, has come down to "a discussion of where between success for the status quo and for nostalgia." On one side is the National Party and such part or political coalition partners as United New Zealand, the Chartered Accountants and the free-market ACT. On the other is the Association of Consumers and Teachers; they favor continuing a hands-off approach to managing the economy. On the other side Labour Party—which recently launched the reform process in 1984 before being thrown out in 1990—along with Anderson's Alliance and the national New Zealand First. All back a measure of old-fashioned socialism, including reducing government intervention to some degree, all would abolish asset-tested fees for certain patients like Ila. Pinley The Alliance would go further, introducing fully free health care and education, a policy that would be seen as almost entirely responsible as the National—says the country cannot afford. The three left-leaning parties have major policy differences and refused to negotiate a pre-election pact.

The voting field represents an experience almost as dramatic as the country's economic change. It will be the country's first election under a new system of proportional representation, ending 144 years of Canadian-style first-past-the-post balloting. That in turn will almost surely lead to a coalition in the overgrown Parliament. No single party in itself ever had to have the power to push through change as smoothly and rapidly as Labour and the Nationals did.

To Bruce Brown, a former New Zealand High Commissioner to Ottawa, Canada's federal system—and its people—work against creating such a total revolution on a national basis. "Canadians are much more conservative," he says. "I don't think they will hold their leaders in the way we do." But as they struggle with many of the same issues, Canadians would be wise to watch what happens next to the revolutionaries.

DAVID BARRER in Wellington



WORLD UNITED STATES

Kissing and correctness

Alkins is just a kiss—except, of course, when it runs smack into U.S. federal law. The law in question is one that requires American schools to draw up and enforce policies aimed at preventing sexual harassment. And the topic that set off a buzz across the United States last week was not the Middle East summit or even the presidential campaign, but whether two little boys should have been allowed to kiss each other during the chaperon of two little girls. In New York City and the suburban town of Longmeadow, N.C., the accused kissers found themselves instant celebrities—and a nation debated where the line of society's good and bad should be drawn against children too young to grasp the concept of harassment, let alone sex.

Six-year-old Johnathan Prevette of Lexington found himself in the spotlight first. On Sept. 13, his first-grade girl was suspended from school for a day because, according to the discipline form he was given, "Johnathan kissed a little girl on the cheek." He told his mother that the girl asked him to kiss her, but a teacher reported the incident to the principal, who decided that it violated a school policy on "student-to-student sexual harassment"—including pressure for

Prevette: visiting a school policy on "sexual harassment"

sex, biting, putting and pinching. Johnathan, however, raised an eye at an out-cast as a result. His outraged parents complained, and even the town's mayor agreed that the policy is flawed. Johnathan's story gained media attention around the world, but the school stuck to its decision.

Then last week, seven-year-old De'Andre Dearinger made the national airwaves in a similar case. He was suspended for five days under the school board's policy against sexual harassment. But after his parents complained and a series of New York Mayor Rudolph Giuliani ordered the ruling, De'Andre was reinstated. Still, he spent three days out of school and was left explaining to a crush of reporters that he had been bitten from the skirt because of a teacher's misreading of his behavior. De'Andre, about a year with a button missing from his overalls.

Predictably, the incidents spawned a blizzard of charges that the boys were victims of political correctness run amok. In fact, the schools were merely complying with a law that requires suits if they failed to take prompt action against real or perceived sexual harassment. That was underscored last week when a jury in San Francisco awarded \$980,000 to a 14-year-old girl after finding that officials ignored her complaints about sexual harassment by a classroom three years ago.

According to court testimony, Tamara Upmeyer, who was then 11 and in Grade 5, was subjected to almost daily vulgarities by a boy, who among other things grabbed her breasts and kissed her. She said she was too nervous to tell her lawyer, Sandra Sprague, called it "outrageous harassment," and said the lawsuit was a last resort after meetings with teachers, the principal and the boy's parents failed to stop his behavior. The school was ordered to pay \$800,000, with the family and the district principal paying the rest. And school officials across the United States were left trying to figure out how to distinguish between a childhood kiss—and a potential legal nightmare.

ANDREW PHILLIPS in Washington

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World NOTES

PLANE CRASH IN PERU

A plot tentatively complained of some pilot trouble before an Aeroperu Boeing 757-200 plunged into the Pacific Ocean near Lima, killing all 70 people aboard. Emergency crews said the bodies of most of the passengers, from 15 countries, must be trapped in the plane underwater. In a dramatic 29-minute dialogue caught on tape, the pilot told Lima air controllers instruments "went crazy" and he could not tell whether he was over land or sea.

YELTSIN SPEAKS OUT

Russian President Boris Yeltsin declared in a radio address that he was still a "working president" despite his three months of confinement and pending heart surgery. He said he had persuaded his ambitious national security chief, Alexander Lebed, not to quit. He also endorsed Lebed's peace plan for the breakaway republic of Chechnya. Said Yeltsin: "I don't try to change the portals on the wall."

FIGHTING HELMS-BURTON

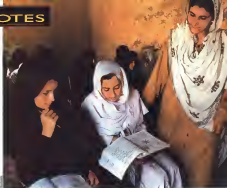
Canada signed on as an interested party when the European Union asked the World Trade Organization to decide whether the U.S. Helms-Burton law violates trade rules. The law prohibits foreign companies doing business in Cuba. The WTO process could take a year. Canada and Mexico have said they will also fight the law under the North American Free Trade Agreement.

SCIENTOLOGY ON TRIAL

Experts in a French courtroom debated whether the Church of Scientology is a religion or a cult, as 23 defendants went on trial in Lyon on charges ranging from fraud to manslaughter. The trial was prompted by a woman who said the church drove her husband to suicide by pressuring him to take courses he could not afford. Scientology is a worldwide movement with more than eight million members.

EIGHT BABIES LOST

A British woman who ignored doctors' advice and tried to give birth to octopuses lost all the babies, prompting calls for tighter laws on who should receive fertility treatment. Judy Atwood, 31, who made headlines when she told her story in a tabloid magazine, lost three of the fetuses in the 10th week of her pregnancy last Monday and the remaining two days later.



Afghan women refugees in Pakistan, who say they are afraid to return because of beatings

A 'reign of terror' in Kabul

"It is like a jail here. I want to be free," So saying, a former Afghan government official scrambled into a minibus with his family last week and headed for neighboring Tajikistan. He had already had enough of Afghanistan's new fundamentalist rulers, who issued a series of restrictive decrees that brought criticism even from the country's other major neighbor, Iran. After sweeping into Kabul on Sept. 27, the staunchly Islamic Taliban which banned Western dress, card playing, music and television and warned of severe punishment for those found drinking alcohol, taking drugs or having illicit sex. Women, who were required to be veiled, were ordered to stay away from work and school until the new government had found ways to keep them separate from men. Newly arrived rebels from the countryside had several

women for defying the dress code in Kabul streets. Many women had been accustomed to wearing jeans and shirts in the relatively cosmopolitan city, where the Soviet-backed regime of the 1980s fostered a spirit of secularism.

A senior Iranian cleric called the Taliban policies "barbaric." Amnesty International accused the new regime of rounding up more than 1,000 people in houses to house searches as part of a "reign of terror." Responding to such critics, acting education minister Syed Ghassaidin said that "what we are doing is all based on Islamic Sharia law, including punishing those molesting and criticizing people in the mosque five times a day." At week's end, the Taliban controlled about three-quarters of Afghanistan, but two rival groups remained backed up in northern areas.

Recognizing Bosnia

After tough negotiations in Paris, the presidents of Bosnia and Yugoslavia agreed to open full diplomatic relations, boosting stability in the Balkans. Yugoslavia's Slobodan Milosevic publicly recognized the integrity of Bosnia, affirmatively ending any chance of Bosnia's separatist-minded Serbs joining Serbian-run Yugoslavia. But Bosnia remained a divided house. Leader Alija Izetbegovic, Muslim chairman of the country's newly elected three-member presidency, soon faced a bid from Serbian minister Momir Krajacic

for not consulting before the deal was signed. In The Hague, Izetbegovic's prosecutor for the Bosnian war crimes tribunal, Krstovic, urged Judge Louise Arbour, United Nations' 1500-led peacekeeping force, to "meet around war criminals. This may be running short. The peacekeepers are due to leave early in the new year, although they will stay longer than 180 days, 20 months in order to monitor multiple ceasefires set last week for late November. U.S. Defense Secretary William Perry directed 5,000 new U.S. troops will be the vanguard of a proposed replacement force. He said they will cover the peacekeepers' exit.

Showdown at GM

General Motors and Linda Landry go back a long way. In 1949, her father, Maurice, landed a job with the world's largest automaker as a laborer in GM's upstartling Oshawa, Ont., assembly plant. Linda, who vividly recalls her father walking a picket line during a strike in 1950, followed Maurice into the factory 32 years ago. The \$20 an hour she earns on the line has allowed her to purchase a modest home and a fleet of GM products: a 1984 Corvette, a pickup and a shiny new Pontiac Grand Am. Last week, however, Landry joined 12,300 other members of the Canadian Auto Workers union who walked off the job in Oshawa and St. Therese, Que., in an escalating battle over GM's plans to shift some of its parts production to outside contractors.

With the CAW standing firm in its opposition to "outsourcing," the strike seemed to smother a fragile economic recovery that in July finally showed signs of stirring. Last Saturday, the protest had triggered widespread headlines at companies that supply auto components to GM. "We just don't want to lose what we have," Landry said as she huddled near a barbed-wire fence the next day with GM's Oshawa employees. "I want to know that I'll still be working here in 30 years."

The strike could not have come at a worse time for the company. According to Statistics Canada, the nation's gross domestic product surged by 0.5 per cent in July, its largest one-month gain since December, 1995. At that rate, says economist Sherry Cooper of Nickliff, Burns Inc., in Toronto, the economy is on track to achieve 3.1 per cent growth by the end of the year. The long-awaited rally is largely based, with 18 out of 21 major industries expanding—creating 82,000 new jobs in August alone.

A labor dispute affecting a single company would normally have little impact on the national economy. But GM is Canada's largest private-sector employer, with about 34,000 workers and a weekly payroll exceeding \$85 million. A complete shutdown of GM's Oshawa and Quebec operations would mean \$100 million a day in lost production at GM and about 1,000 Canadian drivers that supply it with parts and equipment. More difficult to quantify is the spillover damage in the communities where GM operates, affecting everything



Picket line at GM's Oshawa plant: the battle escalates

from housing prices to supermarket sales. If the strike lasts a month, Cooper says, it will show a dull percentage point off the nation's GDP this year. "One or two jobs in Oshawa depends on the automotive industry," added John Myers, chief economist for the Alliance for Manufacturers and Exporters of Canada. "We going to affect everything, because people are not going to be spending money right across the economy."

The strike hit just when consumers were beginning to show renewed confidence. Cooper said that shoppers' spirits perked up over the summer in response to falling interest rates. Last week, the Bank of Canada dropped its key lending rate another quarter of a point to four per cent—the lowest level in 35 years. Although retail sales rose by a modest 0.4 per cent in July, analysts took it as a positive sign because it was the fourth month in a row that the sector had expanded. "The massive decline in interest rates

is sparking a rebound in the domestic economy," Cooper said. "We're finally going to see consumers participate in this party."

The GM strike could throw cold water in that party as layoffs spread rapidly through the auto industry. In addition to the 12,300 CAW workers in Oshawa and St. Therese, there are 8,600 workers at other GM plants in Ontario, in London, Windsor, Woodstock and St. Catharines. Barring a sudden settlement, they were expected to go on a strike by the end of this week. A full scale would cost GM Canada \$400 million in vehicle production each week, with the damage spreading as well to assembly plants in the United States, which depend on parts manufactured by the company in Canada. A further complication is that the shutdown happened just as GM was beginning to ship its 1997 models. "You can afford to have some of your other car plants affected by the strike," said Wes Brown, an auto analyst with the economic research firm CIMS Forecasting in Detroit. "But when you are trying to launch brand new vehicles, you don't want that to happen."

The Canadian firms that sell parts and services to GM employ a combined 90,000 people. Peter Matys, president of the Canadian Automotive Parts Manufacturers Association, noted that layoffs would spread quickly through these firms because parts producers can no longer afford to stock large inventories. Instead, under a system known as just-in-time delivery, components are manufactured and shipped to the big automakers only as needed. "Inventory is a bad word these days," said Matys. Less than 48 hours after the strike hit, the impact was beginning to reverberate through the parts sector. Last Saturday, Canada, which supplies seats to GM, had off 3,000 workers at a factory only a few kilometres from the Oshawa plant. On the same day, Denso, a Japanese seat maker, shut 200 of 400 employees at its Oshawa trucking firm, which made parts for GM. The remaining 30, he said, will likely be laid off if the strike spreads to the United States. In Quebec, Woodbridge, Bertrand Future Technologies Inc., which produces seats for Chevrolet Camaro and Pontiac Fiero, laid off 50 people. "A complete closure of GM and its effect on suppliers would be severe," said Myers. "Steel, aluminum, leather, plastics and machinery all go into the auto industry. When you add that together, the strike could cost the economy \$150 million a day."

A long, painful strike is a distinct possibility, GM executives have been saying for months that they are determined to bring the company's production costs into line with Chrysler and Ford, both of which contract out a higher percentage of their manufacturing than does GM. In rare news, GM Canada president, Maureen Kempton-Darling sent a letter to all of the firm's announced employees last week warning for cooperation. "The company relies on its workers' strength to strengthen its competitive position. She acknowledged that workers had helped turn GM around from a loss of more than \$60 billion in 1993, the largest in its history, to a healthy profit last year of \$12.4 billion, including a record \$1.4 billion in its Canadian operations. But she said the firm's share of the North American vehicle market has slipped to 38 per cent since 1995 from almost 45 per cent a decade ago. Without taking steps to improve efficiency,

Kempton-Darling said, the firm's profitability will inevitably slip. "The Japanese manufacturers continue to threaten us by reducing their costs," she wrote. "Both Ford and Chrysler have historically had significantly lower per vehicle costs than have parts manufacturing and have significantly improved their productivity."

Despite that, there had been signs earlier in the week that GM Canada was inching toward a settlement. During the talks, the company had proposed to protect almost all of the 300 jobs it placed to cut through outsourcing. The next morning, however, that offer was withdrawn. Most analysts believe GM's bluffs in Detroit are taking a hard line on the Canadian talks for fear of setting a precedent. A strike in Canada would be a blow to GM's U.S. operations as it is in the middle of contract negotiations with the Detroit-based United Auto Workers. After saying on Tuesday that he saw a "glimmer of light" for a settlement, CAW president Brian Hawryne would suddenly disavow on Wednesday what he announced that negotiations had broken down. "I'm frustrated, I'm angry," he said. "I'm at a loss quite frankly to explain how we got here tonight."

The strike is the first major test for the CAW since it broke away from the UAW in 1998. In early September, the Canadian union won a major victory when Chrysler Canada

in Corp. agreed to the union's demand for "work ownership"—meaning, in effect, that Chrysler will not close any plants over the three-year life of the deal and will replace any union jobs lost through outsourcing. Hawryne insisted that the strike will continue until GM matches these union demands. "We're not negotiating table and end the strike, every word in the outsourcing work ownership job-security program will be in our collective agreement."

GM, however, is determined to push ahead with plans to sell a trim plant in Windsor and a fabrication plant in Oshawa, which together employ 5,000 people. The company's legal negotiator, Dean Manger, sent the firm's writing to both "creative" steps to protect some of these jobs, but without conceding to the union's demands. "It is to remain profitable. Without such flexibility, Manger said, GM's efficiency would suffer—and the company is not prepared to see "cases pointed on to the consumer."

Some analysts believe that GM is so determined to increase the amount of work it contracts out that it will leave its Canadian workers out on a limb. But it isn't. GM and the UAW are currently negotiating, but they have yet to deal with the contentious issue of outsourcing. "The ball doesn't wag the dog here," said Dennis DeRoosens, a Toronto-based auto analyst. "The Canadian union will have to decide if it wants to take GM's concerns into play."

But workers on the picket line were in no mood to back down. "We have families like everyone else," said Kay Sanyal, a maintenance worker at the Oshawa plant. "But the company wants to pay someone else to do the work. It's the union on that may mean, both sides are probably going to have to give ground before the strike is settled."

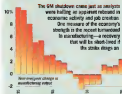
TIM PENNELL in Oshawa

I'm at a loss to explain how we got here

—CAW president Brian Hawryne



BACK ON TRACK?





Boyle with a wireless-cable antenna at Toronto's CN Tower, choice

services in May, 1986, when it recommended open competition on the information highway. This week, the agency is conducting hearings in Ottawa that will help bring broadcasting regulations in line with the new entrepreneurial ethic. The CRTC has already licensed three DTH providers and one wireless-cable agency—SkyCable Inc. of Brandon, Man. Several more companies are awaiting approval. Another 13 groups will go before Industry Canada this fall seeking permission to operate wireless-cable networks—the first step before seeking broadcasting rights from the CRTC. The major phone companies are also charting their moves into TV. So far, only SkyCable is actually offering service. But the battle for the eyeballs—and wallets—of Canadian television viewers will heat up over the next 12 months as more companies come on stream.

Among the biggest winners will be consumers. While no one is prepared to predict just how far prices will fall, savings are inevitable. In southern Ontario, the country's largest cable market, Lloyd says SelectView will sell its basic 25-channel service for \$19.95 a month. Rogers charges \$29.28 a month for a 20-channel package. PowerTel TV, another wireless-cable company that hopes to start serving southern Ontario in 1988, also hopes to undercut Rogers. "I think consumers are anxious for choice," says Ted Boyle, PowerTel's president.

But firms like PowerTel and SkyCable are small potatoes in the eyes of the \$2.5-billion cable industry. While awaiting some local new bids, most are likely to remain minor players for several years. Ultimately, cable operators are the money and muscle of the phone companies as the real threat. "Only they will be offering the full array of communications services," says Richard Stuenkel, president of the Canadian Cable Television Association. "We'll be off to a big struggle with them." Bell Canada and Alberta's Telus were among the first to announce plans to test new broadcasting and telecommunications services starting later this year and in 1987. Most of the provincial telephone companies will be licensed to broadcast TV programs by 1988, and Barry Chapman, an executive director with Stentor, an alliance of Canada's major phone companies.

The cable industry is already scrambling

Simply Perfect.



Changing channels

High-tech TV threatens cable's traditional dominance

BY JOHN SCHOFIELD

One of these days, Doug Lloyd might try picking up someone his own size. Five years ago, he tried beating up on Bell Canada when he founded Telroute Communications Inc., one of the country's first alternative long-distance telephone providers. Mr. Bell proved to be a tougher competitor than he bargained for, and Telroute necessarily went under. Beaten but not beaten, the 44-year-old veteran of Canada's communications wars is gearing up for another battle royal. In his new incarnation as president of SelectView Cable Services Inc. of Toronto, Lloyd wants to start business from the country's largest cable TV company, Rogers Cable Systems Ltd. And it's bound to be a bloodied brawl. "They're going to fight like hell, just like Bell Canada," he predicts. "We're

going to have to work our little butt off to get market share."

Lloyd—the most of the 20 or so other companies challenging the cable industry's 44-year hegemony on the Canadian TV distribution business—plans to attack from the air. SelectView, which is still testing for its service, will use wireless-cable technology to transmit digital signals from the CN Tower and other southern Ontario locations to small, flat-plate antennas installed at subscribers' homes. A wire connects the antenna to a box atop the TV, which decodes the digital signal for TV viewing. Direct-to-home (DTH) services, such as a long promised offering from ExpressVu Inc., work in a similar way, but the signals are beamed from a satellite.

The Canadian Radio-television and Telecommunications Commission (CRTC) opened up the floodgates to new TV delivery

the eyes of the \$2.5-billion cable industry. While awaiting some local new bids, most are likely to remain minor players for several years. Ultimately, cable operators are the money and muscle of the phone companies as the real threat. "Only they will be offering the full array of communications services," says Richard Stuenkel, president of the Canadian Cable Television Association. "We'll be off to a big struggle with them." Bell Canada and Alberta's Telus were among the first to announce plans to test new broadcasting and telecommunications services starting later this year and in 1987. Most of the provincial telephone companies will be licensed to broadcast TV programs by 1988, and Barry Chapman, an executive director with Stentor, an alliance of Canada's major phone companies.

The cable industry is already scrambling

BUSINESS

To find all the new challenges. "There are customers to lose, so it's a question of making sure there are customers to keep," says Jim Shaw Jr., the president and chief operating officer of Calgary-based Shaw Communications Inc., Canada's second-largest cable company with just over 1.5 million subscribers. The company's 70 cable companies will spend up to \$5 billion over the next five years on upgrading their lines to offer digital TV, high-speed Internet access and local telephone service.

Meanwhile, the search is on for new ways to package and market services. "In a sense of things to come, Rogers is pushing The Ticket, a pay TV kit that includes an analog converter/deserializer, pay-per-view, movie critic Leonard Maltin's movie guide, and coupons for video rental discounts. Customers who sign up also save 25 per cent off the cost of buying pay TV programs individually, but they must agree to stick with it for a year. "The real key to survival is shifting the company from being an engineering company to a marketing company," says Rick Engel, an executive vice-president with Rogers Cable Systems. "It's that kind of marketing and consumer focus that we're bringing to a business that hasn't really been focused in that way since its inception."

Many customers would agree it is high time that cable companies paid more attention to them. Critics have often accused the industry of arrogance. "Monopolies are things that people love to hate," says Engel. "We've certainly made some mistakes over the years that we won't make again."

Ironically, the telephone companies were the first architects of the dollar-billpinning process: the cable industry has enjoyed since operators started strapping up wires in the early 1980s. Early in possibility for the burgeoning cable business ended up in the



Expressive president Chris Pank: Lighting the air

case of the phone companies. They argued the TV business themselves, but allowed cable firms to piggyback telephone poles if they agreed to keep out of two-way communications. When Ottawa created the CRTC in 1968, the cable industry came under the Broadcast Act. But the legislation was designed to protect Canadian culture from foreign intrusion, not consumers from high rates, says Robert Babe, a communications professor at the University of Ottawa. Over the decades, that has guaranteed the cable industry a steady stream of healthy profits. "It's a low-risk business, and in that sense it has earned a good rate of return," says Babe.

Thanks to new regulations and new technology, the cable business has steadily become a hot market. Compared with their American cousins, however, Canadian operators have some built-in advantages that could help them better withstand the on-

slaught. For one thing, average cable rates in Canada are 40 per cent below those in the United States, the cable association's Stateline says. Penetration is higher in Canada, too. About 8.1 million Canadians subscribe to cable, representing 81 per cent of homes in areas where the service is available. In the United States, the figure is about 60 per cent, says Ben Dube, an analyst with Creditline Securities Ltd. in Montreal.

As a result, the merits are more in the U.S. market for competition. Of the 3.7 million U.S. satellite TV subscribers, only about half were previously hooked up to cable, says Doug Shapiro, an industry analyst with Deutsche Morgan Grenfell Inc. in New York City. And many of them have kept their cable service so they can watch local channels, which are not accessible by satellite.

Still, even executives in the Canadian cable industry admit that consumers are leery for a choice. An estimated 200,000 are already surreptitiously subscribing to U.S. satellite services. The public's impatience with the cable monopoly burst into the open last year, when thousands of subscribers severed cable company phone lines to complain about over-invoicing bills for new specialty TV services. The grassroots revolt forced the quick cancellation of the practice, which required customers to pay for new channels unless they said in a form indicating which ones they did not want.

Not all subscribers have been transformed into raging activists. James Hddy, a lawyer in Fredericton, says he is not losing sleep over the lack of cable competition. "It's not a real thorn in my side," says Hddy. But given the option of similar service at a lower price, he admits he would switch in a minute. "The bottom line is what you're getting at what particular price," he says. It's a fundamental lesson to free-market economists that Canadian cable TV companies are about to experience firsthand.

Money 101



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DIGITAL OPTIONS

Ever since televisions started showing up in consumers' livingrooms after the Second World War, TV signals have been broadcast and received in analog format. Analog reproduces images using a continuously wavying electronic signal. Now, digital technology—which conveys information using the combinations of zeros and ones recognized by computers—promises to improve picture and sound quality dramatically, while expanding channel selection. Digital TV signals will be delivered in three ways:

Upgraded coaxial and fibre-optic cables: The cable TV industry and phone companies are spending billions to construct networks capable of delivering digital TV and high speed Internet access.

Wireless cable: Digital signals are transmitted from towers to small, flat plate antennas, which are connected by wire to a set-top box that decompresses the digital signals.

Direct-to-home satellite: The digital signal is transmitted from a satellite to small "flat" antennas installed on a roof or exterior wall. Satellite services rarely offer local TV programming.

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Personal Business

Mass-market mobility

After two years of explosive growth and shrinking profit margins, Canada's cellular phone companies could use a bit of a break. But instead of settling down, the competition for subscribers is about to become far more intense. That's good news for consumers, because the result will be cheaper airtime and a wider range of mobile-phone features.

Up to now, the cellular industry has been dominated by Rogers Cable Inc. (whose parent company owns Maclean's) and the Mobility Canada network, an offshoot of the

main cellular carrier first back by reducing its rates for heavy-use customers by as much as 20 per cent. "Ultimately, the consumer wins," says Jane Zetter, a mobile communications analyst with Herschel Sheerock/Associates Ltd. in Whistler, B.C.

It won't be long before similar marketing wars break out in Canada. Microcell's Timorley says its company will introduce PCS by the end of the year in Montreal, followed in 1999 by Ottawa, Quebec City, Toronto and Vancouver. Koves, he predicts, will be "10- to 40-per-cent cheaper than today's cellular charges." If so, you can bet Cattel and the Mobility network will slash their rates, too.

As the struggle for wireless supremacy heats up, airtime of the cellular plans can afford to price itself out of the rapidly expanding consumer market.

Meanwhile, neither battle is taking shape in the high-growth business communications sector. Last week, Clearnet introduced a wireless service called MKKE that combines telephone, two-way radio and text messaging functions on a single handset. Based on a new digital technology developed by Motorola—which owns 19 per cent of Clearnet—the system is targeted at mobile work groups, from construction crews to large law firms. A manager on the road, for example, could press a button and instantly be connected with half a dozen colleagues, wherever they happened to be. Another feature lets users talk to any other individual in the group, at far less cost than a conventional call. And unlike the two big networks, Clearnet plans to bill its customers in one-second increments, which means a call that lasts 61 seconds will not be charged as two minutes. The service now covers the Quebec City-to-Windsor corridor, with a rollout in Western Canada planned for 1999.

By then, of course, Clearnet and Microcell will be tripping over each other in a mad scramble to sign up PCS subscribers. Is the Canadian market big enough for four wireless carriers? Probably not, but the shake-out should be two to mobile-phone users.

The scramble to sign up wireless phone subscribers is about to become far more intense

An Inventor's Legacy

Alexander Graham Bell was born 125 years ago this week. His 20th birthday gives us a good excuse to look back at his life. Five years later, his invention really got its start by changing the world—on the way to other projects.

The telephone, including the patent, but it's true enough of an inventor with his father's mind. By the time he was 10 years old, he was the father of his father's mind. He was the father of his father's mind. He was the father of his father's mind.

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Some ideas, like his concepts of hearing with sunlight and his "photophone," seemed like failures during Bell's lifetime. Today, we realize that he had developed the basis of solar heating and the laser decades before they became realities.

By the time he was 10 years old, he was the father of his father's mind. He was the father of his father's mind. He was the father of his father's mind. He was the father of his father's mind.

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Don't miss the special events in your community. Check your newspaper for local event listings or call 1-800-268-6008.

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For details of special events being held in your community between October 18 and 27, check your local newspaper or call 1-800-268-6656

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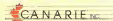
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THE CANADIAN SPACE AGENCY

This has been an exciting year for the Canadian Space Agency (CSA). History was made when the first Canadian Earth observation satellite, RADARSAT, was launched.

History was made when the first Canadian Earth observation satellite, RADARSAT, was launched operational in April, 1996. It is now supplying better images to clients around the world for use in applications like mapping, environmental management, crop and forest monitoring.

and resource development. In the Canadian Space Science and Astronaut program two Canadian scientists conducted scientific investigations in space shuttle missions. Marc Garneau crossed aboard Endeavour and Colleen weaver CSA astronaut Bob Thirsk also space.



Photo: NASA

More recently, Dave Williams was selected to fly on shuttle STS-65 in 1996. Dr Williams' background as a physician made him the person dedicated to neuroscience research.

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"Leave the beaten track... and dive into the woods"

Alexander Graham Bell, who credited his invention of the telephone to deep thought rather than the pursuit of mind-and-mechanics methods of discovery

"It really big discovery," said the Scots inventor, "are the results of thought"

Dr. Bell's legacy in the telecommunications industry extends beyond his pioneering work with sound transmission. Of equal importance to his invention of the telephone is the spirit of constant innovation that he embodied. His interests moved beyond his early telephone work to explorations in flight, genetic engineering and water craft. From his earliest years, when he moved to his "famous place" at his parents' home, to his establishment of idea companies in Washington, D.C., and at his Belton through interest in Nova Scotia, Bell pursued his theory of discovery through thought. Although the telecommunications technologies of today have moved far beyond Bell's work, his legacy of creative thinking lives on.

While Canada can lay only partial claim on Bell himself — the inventor seldom spent a full year in the country, and became an American citizen at the age of 35 — many of his inventions took wing here, and he remained an icon of innovation in the Canadian annals of the industry he founded.

Bell worked best when he perceived a need, as if the mental energy he gave to a subject expanded to fill a void. For him, necessity really did function as the mother of invention, and that relationship has marked the 74 years in Canadian telecommunications since his death.

Canada's own government made it its ideal pressing ground for advancement in telephony.

A year before Bell's death in 1922, discussions were already underway between the members of the nascent Telephone Association of Canada to form a national network, a concept that became a reality a decade later.

The next two decades were years of consolidation and growth, and by the end of the 1950s Canada had the world's first coast-to-coast microwave network, a forerunner

link for television transmission. Another decade brought the world's first geostationary satellite system, allowing for equilateral communication to all continents.

In essence, the formation of Telecom Canada in 1969 and the launching of the Atak satellite completed the humanistic aspect of Bell's system by bringing every citizen into contact with every other. It was also the dawning of a new era of innovation. The challenge: to create a network so powerful that it could revolutionize telecommunications. The result: more than 20 years of rapid developments and greatly expanded horizons.

Since the 1970s, Canada has established the preeminence in global telecommunications is held in Bell's era. World firms included the integrated national, public digital transmission network, the first commercial, packet-switched digital network, and the longest terrestrial fiber optic network. As well as those global milestones, there have been countless advancements in telecommunications technology in which Canadian engineers have played a major role. Through joint efforts in standards and research bodies like the International Telecommunications Union, Canadians have helped shape the future of global communications.

As the network has evolved from Bell's era of principles to broadband multimedia and high-speed transmission along copper lines, telecommunications has become solidified as a key enabler of economic growth in Canada. Future endeavours — whether along the ongoing, multi-lane information highway, or in more traditional avenues — will play a vital role in keeping this country strong. It's a role Alexander Graham Bell would have relished living, it's a role those who subscribe to his belief in the power of the human imagination can still embrace.



Business NOTES

NEW CONVENIENCE KING

Storop Ltd. of Mississauga, Ont., is positioned to become Canada's largest convenience store chain with its \$23-million takeover of Becker Milk Co. Ltd. The deal comes as Storop, owner of the Mac's and Mike's Mart chains, fights a \$66-million takeover bid by Alimentation Couche-Tard Inc. of Lével, Que. The deal will give Storop 1,022 stores in Western Canada and Ontario.

TAX DODGE DELETED

Revenue Canada closed a tax loophole that Mannebach's Brampton family used in 1991 to transfer \$2 billion to the United States without paying capital-gains tax. Canadians who leave the country with property worth \$25,000 or more will now have to submit the tax or pay a penalty, according to the new law. Previously, payments were based on such gains when they sold the property, not when they left Canada.

NEWFOUNDLAND OIL

Three Calgary-based oil companies will spend \$125 million over the next five years on an exploration off Newfoundland. Petro-Canada, Chevron Canada Resources Ltd., and Mobil Oil Canada Ltd., already partners in the Terra Nova and Miramix projects, plan further work in the same region. Also, the Canadian Petroleum Co. Ltd. of Calgary announced last year it will devote \$60 million to exploring the same area.

ATTAMIRA KILLS TAKEOVER

Attamira Management Ltd.'s largest shareholder brushed off a \$600-million offer from Manulife Financial Inc. of Toronto. For control of the multi-fund company, Attamira Capital Corp., which owns 30 per cent of Attamira, is angry that Manulife blocked an earlier \$200-million takeover bid by Toronto-Dominion Bank. Manulife owns 30 per cent of Attamira.

ONEX BUYS IBM UNIT

Onex Corp. of Toronto and two partners will pay \$250 million for Celestica Inc., an IBM Canada Ltd. subsidiary that builds computer parts for IBM and other companies. Celestica is the third-largest player in the computer industry's \$60-billion contract manufacturing market. The Bank of Nova Scotia and the Hospital of Ontario Pension Plan are partners in the deal.

Fighting the funeral war

In the deal that will not die—at least not if the world's largest funeral home operator has its way—Bourbon-based Service Corp. International has agreed the sale is in its best interest to acquire its main competitor, another ranked Loewen Group Inc. of Bensenville, Ill. After initially taunting company chairman Ray Loewen with a \$3-billion takeover proposal, Service Corp. submitted a formal offer with the United States Securities and Exchange Commission worth about \$100-900 more.

SCI promised an even richer deal if Loewen Group agrees to a friendly merger. But the sweet-talk ended there. In U.S. federal court, Service Corp. filed a complaint accusing Loewen of deliberately misleading its shareholders about SCI.

Loewen, who has built an empire of about 1,000 funeral homes and 253 cemeteries, showed no signs of succumbing. "We are not intimidated easily," he told reporters after his company's shares began trading for the first time on the New York Stock Exchange. Loewen said his company will respond to the offer after its board meets in about two weeks.

The escalating funeral home war has already elicited concern among competitive watchdogs. Loewen Group spokesman Thomas Pincus said the U.S. Federal Trade



Loewen: "We are not frightened easily"

Commission has asked for information on Loewen's operations to help in an investigation of the proposed deal. State regulators in Florida are also looking into it. If the deal goes ahead, Service Corp. would own about 2,350 funeral homes and 600 cemeteries worldwide, and would perform about one in every seven U.S. funerals.

IMMENSE Investigating Canada's Bre-X

Something may be rotten in the state of Indonesia for the father of the Canadian mining industry. A Minerals Ltd. of Calgary, Indonesia authorities say they

are investigating a deal that has cost \$1.5 billion the owner of a chunk of Bre-X's share. But the deal, which shows the area contains as much as 100 million ounces of gold, worth \$5 billion. The Indonesian government has also ordered and initiated an investigation into the deal. Bre-X officials are looking into the deal, but they

of reports. "We did not get the deal," said a spokesman in Toronto. The government's decision to stop in could delay Bre-X's mine. The company's market value plunged to \$5.8 billion after it discovered the mining project. It is to drop last week over the latest news.

Interest rates keep falling

The Bank of Canada's 17th straight cut in its key lending rate in 16 months prompted major stock institutions to show mortgage rates for the second time in a week. Credit card rates have also fallen. The bank's prime rate, the benchmark for consumer and corporate loans, now stands at 5.5 per cent, its lowest level in 20 years. Bankers, business leaders and politicians are hoping lower rates will jumpstart consumer spending and create more jobs. But Jeff Rubin, chief economist at CIBC World Group, cast doubt on that scenario. Consumers, he maintains, are over-levered and accounts are not growing enough to spark increased spending.



From Telecom, the alliance of Canada's fully service telecommunications companies.



Peter C. Newman

Always a reformer, never a revolutionary

Through a series of circumstances that no longer matter, I happened to be the first journalist to interview Robert Bourassa in 1971, on the day after he was elected Quebec's premier. His Quebec City office was crowded with supporters of all stripes and desires—political functionaries with their mustaches and large umbrellas, already bracing their shoulders against the burdens of office they expected to bear. Bourassa, who had moved from industry and public service to politics only four years earlier, looked even more cerebral than usual. At 55, he had just turned out of office the once-powerful Union Nationale (and so it was, I suppose, not too far off).

The new premier seemed unimpressed with himself, just sitting there doing his thing, being Monsieur Cool. "During the election campaign," he told me, with all the emotion of a CBC and outer-residual commodity price, "I didn't have time to destroy the Parti Quebecois. I challenged them to say what they would do to solve an employment, and Eric Levesque just kept repeating that the independence of Quebec would mean prosperity. This is an intellectual fraud. Separation has at its base economic grievance that, if it makes a good showing, will be resolved in the next few years."

They weren't, of course, but Bourassa kept the faith during his 11 years in the province. In the 1980 sovereignty association referendum, he fought on behalf of the federalist cause, "swept by inch of village by village. Rotary by Rotary." His death last week of cancer after a long illness robbed Quebec of a worthy and skilled leader who achieved more for his province than any previous premier. A reformer who never became a revolutionary, he earned carefully, latching onto a political expediency at the heart of each of the many crises that marked his time in government.

Bourassa's life has been consumed in a endless newspaper think-piece forecasting on whether Bourassa was a Quebecer first, or a Canadian first. He was, of course, neither, being firmly a Bourassa Liberal first, with all other categories ranking a distant second. Still, the witty nerds in Ottawa never stopped believing that he would become the dedicated federalist they wanted him to be, while his nationalist followers in Quebec swore that he was really an independentist about to leap out of the closet. (They had some reason to believe that was the case, especially after the Quebec premier passed two anti-English language bills, and in 1990 contrived his province to stage a referendum on sovereignty that, had it been held, might have diminished in Quebec's unilateral declaration of independence. As it was, the measure was preempted by the national referendum that dissolved the Charlottetown accord.)

A disappointment to winged parents on both sides, Bourassa was contrived for being an opportunist when all he ever wanted

was to govern many political goodies for his province. At this, he was a master. He earned a black belt in the dubious art of outmaneuvering politicians, while pleading dire straits at the same time—and he never let up.

What neither his critics nor his supporters understood was that to Bourassa pragmatism was not so much a comfortable compromise position as a religion. His idea of long-term planning was next day's lunch. He never viewed the political process as a progression from one point to the next, but as a kaleidoscope of possibilities, constantly in flux. He believed in very little that didn't have a bottom line. He described his own philosophical position as being dedicated to "profitable federalism"—an approach that best described his botched politics.

Except when he went back on his word and repudiated the constitutional amending formula that he helped draft at the 1971 meeting of First Ministers in Victoria, Bourassa seldom closed himself from further negotiations. He set the water limits of Quebec's constitutional demands in 1990 and stuck to his moderate position during the Meech Lake and Charlottetown accord debates.

Although Pierre Trudeau put him down as a "holding eater," Bourassa was not merely a consummate politician, he earned his intellectual credentials, having hosted his talents during a decade he spent as a senior official of Montreal, Oxford and Harvard. Between his two terms of office, he studied and lectured at Yale and at Johns Hopkins University's Center of Advanced International Studies. At one time, his theoretical ideal for Canada was based on the European Community's knowledge partnership.

Bourassa's relations with Trudeau and Jean Chretien were cool, but his relationship with Brian Mulroney was probably felt by both men. Bitter at about the same time—Bourassa left Levesque at the polls in 2003, and Mulroney earlier that year in his bid for the Tory leadership—they bickered together in the tiny Mount Royal Club, plotting their comeback.

They made it—Mulroney in 1984 and Bourassa a year later—and for a while their partnership yielded a solid state on important issues without bruising the other. But for the stubborn opposition of then-Newfoundland Premier Clyde Wells and Elgin Faucher's success in stopping Manitoba's approval, the Meech Lake accord might have passed. That was meant to be the Mulroney-Bourassa moment, and had the agreement passed, Lucien Bouchard might not be in the powerful position he is today.

Ironically, my interview with Robert Bourassa, on that long ago 1971 morning, ended with the offhand comment that his future might damn Canada. "I've been told," he said, "that I represent Quebec's last chance, and to some extent, I suppose it's true."

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People

Edited by
BARBARA WICKENS

Addicted to acting

Things are definitely looking up for 11-year-old Tanya Aliza. The Toronto-based actress was bitten by the acting bug at the age of 14. She spent two summers at the prestigious American Academy of Dramatic Arts in New York City, becoming addicted to performing. But after a couple of years of crummy TV roles she was going disenchanted—until her luck changed and she landed roles in two major CBC television productions. In the historical drama *Lyddie*, a music-to-TV movie being broadcast on Oct. 13, she plays the title role of Lyddie Worthen, an 1800s teenager who leaves her family's debilitating farm in eastern Ontario to work in a cotton mill. In a continuing role in *The Nevers*, a half-hour sitcom that debuts on Oct. 23, she



Aliza on *The Nevers* set: 'I'm quite young'

portrays Audrey, an intern with attitude. And in November, she will go to Scotland to start work on her first feature film, *Signifier*, based on the novel by Pat Barker. "It's not a huge role," Aliza says with a smile. "But I have to remind myself that I am still, relatively, quite young."

The king of Klingon

As creator of the Klingon language for the popular *Star Trek* television shows and feature films, Washington Inghrid. Mose O'Keefe is often asked what he used for the surly space warriors' cultural lingo. "It's based on nothing," said O'Keefe, in Toronto for the opening of an Ontario Science Centre exhibit commemorating *Star Trek's* 30th anniversary. "Since it's not a human language, I didn't have to follow any human language rules." O'Keefe, who has written books, audio cassettes and a CD-ROM on all things Klingon, says other Klingon scholars are going even further. *Star Trek* has been translated, he says, and the Bible is in the works. "Not from English, but from the original 'Hebrew'."



O'Keefe with Klingonist at Science Centre celebrating *Star Trek's* 30th anniversary

No smooth sailing for real-life pirates

Life for a late 17th-century pirate was not just sitting around on a tropical island sipping "Yo ho ho and a bottle of rum." British author David Cordingly's new book, *Under the Black Flag: The Romance and the Reality of Life Among the Pirates*, strips some of the pirate fiction from fact.

In reality, he says, most pirates lived hard, violent lives cut short by disease or hanging. Still, says Cordingly, a former curator of the National Maritime Museum at Greenwich, England, the real pirates were every bit as fascinating and colorful as those depicted in popular novels and movies such as *Treasure Island* and *Peter Pan*. While their rival were any treasure maps, he says, many pirates did have pet parrots and wooden legs. But pirate ships,

A worm's-eye view of life and music

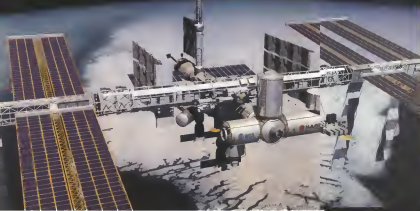
As the lead singer and songwriter for a rock band, Winnipeg's Brad Roberts has always been more loosey than many of his ilk. Roberts, now 33, was studying for his master's degree in literature when he abandoned academia for entertainment. In 1980, along with Benjamin Duvall, Nick Dargis, Ellen Ford and Don Roberts, he founded the Crash Test Dummies. Sure then, Roberts's witty, quirky and sometimes just plain bizarre ballads—such as *Superman's*



Crash Test Dummies: a harder edge

and *Mean Mean Mean Mean*—have led to sales of more than five million albums and sold-out concerts around the world. Now, the music on the Dummies' new album, *A Worm's Eye*, has a harder edge to it. But with such songs as *He Lied to Her*, it's about a gloriously low who eggs pulling his own teeth. An *Old Soul*—no explanation necessary—and the title song, literally about life as experienced by a worm, the lyrics are still part Roberts.

Cordingly adds, were democrats when the crew elected the captain, decided the destination of each voyage and which ships or coastal towns to attack, and determined the distribution of plunder. As for common movie scenarios of pirates making their victims walk the plank, Cordingly says he found only one such recorded incident. "What's the point, really?" he asks. "They just wanted to get on their way with the loot."



Space-station model. Local with Orbiter (below) answers questions



Orbiter (above) answers questions

The outer space detectives

BY RAE CORELLI

For mankind, the adventure began at 9:07 a.m. Moscow time on April 12, 1968. A Soviet air force officer named Yuri Gagarin blasted into the Siberian sky aboard a Soviet spacecraft and the world celebrated at the astounding news that he had landed safely after circling the Earth in just 108 minutes. Three weeks later, while American still argued from having been left behind in the space race, Mercury astronaut Alan Shepard was lobbed 116 miles into the air from Cape Canaveral, Fla. and was splashed down into the Atlantic Ocean 15 minutes later. In the 30 years since, the United States alone has dispatched more than 500 astronauts, including five Canadians, on 110 missions into space, each more sophisticated than the last. To accomplish that, NASA has depended on technology to build more powerful, versatile and durable spacecraft.

But now, approaching the threshold of interplanetary travel, the agency faces a more formidable challenge: finding a way for fragile man to survive for longer stays in space. "It is clear," says Dr. Alex

A NASA team targets the dangers facing astronauts

Mortimer, the Canadian Space Agency's director of life sciences, "that a whole series of questions related to long-duration stays in space haven't been answered." These perils are numerous and little understood. Some are deadly and at this point insurmountable. But with the multi-space assembly of the International Space Station scheduled to begin next year and the prospect of a Mars mission early in the next century, scientists in the United States, Russia, Canada and other countries are collaborating in a search for solutions. "There was a lot of talk-up roll when long-duration stays in space started," says Mortimer, "and now there's considerable interest in ensuring that we have the information we need."

Some of the most urgent questions: • Why does the body lose muscle mass and mental focus on long-duration space flights? When the space shuttle Atlantis landed at Cape Canaveral on Sept. 26, astronaut Shannon Lucid, 53, who had spent a U.S. record 188 days in space aboard the Russian space station Mir, was so weak she had to be supported by her crewmates as she walked unaided to a waiting stretcher.

THE NEIGHBOR

The heavenly explorer Galileo discovered it through his primitive telescope nearly four centuries ago and it has fired earthly imagination ever since: no other body in space. Located in the night sky, unknown, distant, untried Mars is Earth's closest planetary neighbor and Hollywood's favorite backdrop for depictions of alien invasion (*Mars Needs Women*, *Martians Go Home*).

Nothing deters fantasy faster than fantasy, however, the pictures of desolation and other data collected by seven unmanned U.S. spacecraft, beginning with Mariner 4 in 1965, probably wrecked a lot of movie scripts. Yet with the *Apollo 17* moon landing in 1969, Mars suddenly became part of NASA's long-range aspirations. Scientists speculated about a mission to Mars, about temperature swings of 120 degrees Celsius between dawn and noon.

In late September, a campaigning President Bill Clinton said a decision on whether to send astronauts to Mars would be made after the results are in from a robotic mission being launched in December. But given man's insatiable fascination with what lies beyond his immediate reach, the only question about the next leap into space is not whether to go, but when.

• How can space travelers be shielded from the sun's lethal radiation? Even at Mar's altitude of 245 miles, there is enough atmosphere to provide radiation protection. But a returning trip to Mars—anywhere from 36 to 92 million miles from Earth—depends on where they are in their orbit—would take a crew into hazardous space for between two and three years, Mortimer says. As a guess, he adds, the cumulative radiation would reach critical levels for humans just two to three months after leaving Earth.

• How will astronauts react to boredom, isolation and living off their quarters during long stays in space? Russian astronaut Yelena Blazhko, who took Lucid's place aboard Mir on Sept. 18, will take part in first-time psychological experiments.

• What are the implications of disruption of sleep patterns for long-term flights? Russian cosmonauts, some of whom stayed aloft for a year and more, might have provided useful clues. But ground controllers apparently got little data from their sleep patterns and, besides, the cosmonauts took sleeping pills, which would have skewed the results anyway. American astronauts have taken them as well, but the longest of NASA's 78 shuttle missions since 1981, last summer's flight by Columbia, was only 27 days.

Of all the questions, some of the most critical for human health and performance in space revolve around sleep. Earlier this year, NASA embarked on the search for answers by assembling three teams headed by world-class scientists in that field—Dr. Harvey Molday, director of the University of Toronto Centre for Sleep and Chronobiology, Dr. Robert Stagg, director of the University medical school in Boston, and the University of Pittsburgh's Dr. Timothy Monk.

They once will converge, among other things, the suspected link between sleep and the immune system, what happens in space to the body's 24-hour biological clock, and whether sleep will be disrupted enough to impair performance. Humans, including their programmed sleep patterns, have never according to conditions on Earth, says Stagg, a neurobiologist, but those conditions do not exist in space.

The mission on the ingredients beyond the atmosphere has already begun—on the ground. Last August, an astronaut and cosmonauts who will spend four months aboard Mir next year gathered at NASA's Johnson Space Center in Houston for hundreds of tests that will provide a baseline for comparisons with what happens in space. They recorded blood chemistry, sleep and dream patterns and how the body's various internal rhythms changed from day to night. The Americans will embark for Mir on Jan. 12 on the shuttle Atlantis, with the Russians riding a Soyuz spacecraft to join them in February. Six shuttle missions will follow and the crew of the seventh, to be launched in Dec. 4, 1997, will assemble the first chunk of the International Space Station.

When it is completed in June, 2001, the station will have as much living space as a three-story mansion. But long before that, the three scientific teams hope to have clarified and reduced the risks of life in space. "How safe is it going to be up there?" wonders Molday. "We know the hazards of getting up there, but what are the hazards of living there? Here are people who are out there circling the globe and having night and day every 90 minutes." Blood sample takers from previous astronauts, he says, showed evidence that their immune systems, which not only protect against disease but are involved in regulating sleep as well, had somehow been weakened, although no one knows why. "We do

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SPACE

know that stress will impact on the immune system," Molkobsky says. The implications of all that, he says, are sobering. Space-travellers, whose immune systems may be compromised by stress and inadequate sleep, also share their Earth environment — bugs, all kinds of bacteria. And as what's happening to those microbes? What's happening with them, being bombarded by radiation? And what's the risk of disease and infection? This is where our study comes in. "In addition to that, he adds, "The nervous system has to become attuned to the absence of gravity, which also has an impact on antibodies — sudden stress is a leak out of the bones but, again, nobody knows why." Similar queries confront Skidgold and Monk. The Harvard

to 24 hours instead of the 24-hour routine of life on Earth. During those intervals when the space and Earth rhythms are unattainable in phase, he says, everything is in flux. "But when they're out of phase, we think that sleep may be disrupted and daytime moods and performance impaired."

Monk says adequate sleep may be the only way to avoid irritants such as boredom and sharing heated accommodation for long periods. "One of the first things that goes is constipation," he says. "As we in space there are an up-versus-down mentality — we're up here trying to get everything done and you guys on the ground won't leave us alone long enough to get it done."

The discussion of sleep in space leads all three out to a broader speculation. Molkobsky wonders if there are ramifications to the fact that people become taller in space because, lacking gravity, the spinal column expands. Both he and Skidgold wonder how to resolve the problem that occurs in long-duration flight when the inner-ear balance mechanism becomes confused in zero gravity. "What NASA is worried about," says Skidgold, "is that until they let the atmosphere, these guys are losing weight and have lost their ability to tell up from down." The sense of weightlessness could become so profound, he says, that people might not even believe what their eyes are telling them when they have to assume the controls of a landing space shuttle under the force of gravity. "I've wanted to get serious about space flight, we have to solve these problems," says Skidgold.



Molkobsky in his clinic: what are the hazards of living up there?

And with voice surgery, says the Canadian Space Agency's Mortimer. "Starting the program with Mr. All of a sudden brought the future very close, very quickly," he says. "Even five years ago it wasn't predicted that there would be Americans spending six months in space." But on the track to the space station and beyond, there may be danger greater than any faced by recording session. Mortimer says. "Which we haven't addressed yet, the serious work" — in the psychology of isolation. "Human performance is confused, as we said Mortimer, "may turn out to be a significantly limiting factor."

As for radiation, he says, "we have to determine what the safe levels are and how we can reduce the damage from radiation because we can't send somebody to Mars in a bag laid back. But the challenge is trying to get there is enough to stir the imagination of a scientist. "The whole idea is the nations of the world to collaborate in using the space station as a springboard to other worlds," says Molkobsky. "The dreams of our childhood." □



Wonder
If You'll Ever Get to See the Pyramids?



The *Maclean's* Excerpt

Where have all the buyers gone?

Exports are hot, inflation is all but non-existent and interest rates keep falling: by rights, Canada's economy should be poised for takeoff. But as statistics across the country show all too well, those favorable indicators are offset by persistently weak consumer spending. In the following article, economist



from the new book *Shakedown: How the New Economy is Changing Our Lives*. Vancouver-based publisher Angus Reid, chairman and chief executive officer of the Angus Reid Group Inc., argues that business leaders have only themselves to blame for the low levels of consumer confidence in the 1990s.

In the fall of 1993, I had dinner with several Canadian CEOs whose companies manufacture small container products. All were eager to boast of the bold steps they had taken to improve the efficiency of their companies. In each case, they told upbeat stories about the benefits of new technology, masked somewhat by more somber asides about loyal employees who had been let go—the price of maintaining profits in an increasingly competitive marketplace.

Eventually, we started talking hats and belts. "How's business?" I asked. At first, a few replied that things weren't that bad, but before long, most admitted that sales were lousy. "We're hav-



ing a lot of trouble getting people to spend money," said one CEO, a man with a long-standing reputation for success in the marketplace. "Even people with decent jobs are worried about whether they're going to keep them, so they're not spending."

So there it was: the perverse irony of the Canadian economy today. The people in charge are brandishing the sharpest knives they can find to cut the fat out of their operations—all in the name of profits, of course. The problem with knives, however, is that they sometimes have two edges. If you're careless, it's easy to end up cutting your own throat.

It begins with the obvious: the knives being wielded are being pointed outward at the competition even more fiercely than they are being pointed inward at perceived inefficiencies. A sweet fight is under way in the international

Read: the old planet just do not work any more



Dr. Elizabeth M. Fenn
University of British Columbia

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marketplace, the flies of which the world has never witnessed. These flies inspire more than 600 gloves to jump represent last night and tonight, they represent stars that rise, stretching from your local shopping centre around the world and back again. It is in those endless spheres that the war for consumers is being fought.

Not are businesses themselves likely to walk away unscathed. Cutbacks at work—loss of jobs, lower wages and benefits—inevitably create cutbacks at home. People with less money to spend do something fairly predictable: they spend less. Decreased household spending, of course, means decreased demand for consumer products. And decreased demand for consumer products, as any Economics 101 textbook will tell you, leads to more cutbacks at work, wherever these products are produced. This can become a vicious cycle, which is what has happened during the Great Depression.

Unless a company is focusing entirely on foreign markets, there is a message here that no company can ignore. It demands if ordinary people are afraid to part with their money. The first reaction to cuts in the workplace is that many consumers will simply not be able to buy as much product, or will be wary of buying as much product, because they have lost their jobs, are afraid of losing their jobs or have been shut out in low-wage jobs. The second reaction I predict will be attitude. If employees are going to be routinely silent, or why should they care? If business and managers create a more efficient workplace, why can't ordinary people create a more efficient home? If employees are willing to go to any extreme to cut costs, why should't consumers? Many of us were willing to pay a premium for image in the 1980s when brand names were the fashion. But why be a sucker if you know that with a little sacrifice, you'll be able to buy a product of decent quality on sale? Why be loyal to a particular brand, Canadian or not, if another one is cheaper? If products are going to be sold to us in the same way as supermarket workers, why not go toordinate lengths to acquire back?

There is a third factor if employees who used to make so much to the economy are suddenly expendable, why not declare things we've been purchasing for years expirable in the home? How much of what we buy do we really need?

From the mid-1980s to the late 1980s it was fashionable to indulge ourselves, buying what we wanted, wherever we wanted it. What if this more indulgent, more frugal, not only becomes more important but actually becomes indispensable? Frugality is now fairly fashionable in the business world (with the exception of up-and-coming executive salaries). Why not at home? And if Canadians pared down their own consumption patterns, wouldn't that cause

more Canadian-based companies to close? Or to be absorbed by large overseas interests that are gaining a tighter stranglehold in the international marketplace?

If you read part of the stock market analysis on the business press, you will see that Newton's third law of motion—in every action there is always opposed an equal reaction—is already swinging into action. Cash registers aren't humming the way they used to, especially during traditionally high-volume periods like Christmas, when sales of high-profit merchandise compensated for slower seasons. In December, 1995, a young woman interviewed on a news show put other shoppers' reluctance in a nutshell: she said she now feels "loose" if she pays more than the sale price—for anything.

In short, after several years of the century engine of economic growth for two generations, household purse strings have begun to tighten. For almost 30 years, ending in 1990, real growth in household consumer spending in Canada, on average, by over four per cent per year. Fully 60 per cent of GDP growth between 1965 and 1989 was based on increased consumer spending.

During the first five years of the 1990s, however, growth in spending has inched forward at one per cent a year. In 1994, it did rise above two per cent. When per-capita spending in black ink account, consumption of personal goods and services actually declined between 1989 and 1993.

When consumer spending first began to rise in 1995, analysts blamed it on the country's national soccer goal, Bruce Mulroney. And why not? Mulroney's government had introduced the new GST in 1990, and consumption of personal goods and services were expensive. Canadians shifted south to make GST-free purchases, creating temporary mini-booms in such cities as Buffalo and Burlington.

By 1992, the shock of the GST had started to wear off. The declining value of the Canadian dollar made U.S. purchases increasingly expensive. But even with most Canadians staying home, consumer spending growth didn't return. Then, however, the blame was placed on a bank recession (locking dozens of other) and that Canada was undergoing nothing more than "the kind of adjustment that normally follows a recession." Indeed, by 1994 it seemed that the worst was behind us. Consumer spending growth finally rose above two per cent that year. But it proved to be a blip.

Retailers and manufacturers are now increasingly concerned that continued consumer spending will be a chronic symptom of the post-1990 economy. They have every reason to worry. The current state of household finances in Canada is not encouraging. In fact, it's alarming. The unemployment rate, hovering between nine per cent and 11 per cent, is clearly underlining, gives the horrids who have grown up finding work and aren't content to jobsless any

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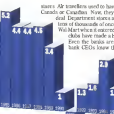
more. Even for those working, individual take-home pay has fallen by approximately five per cent since 1990. At the same time, debt levels have increased from 80 per cent to 89 per cent of personal disposable income. Housing prices, which kept increasing during the 1970s and 1980s, grew so slow in the 1990s that the feeling that they were getting wealthier have dropped significantly in most cities, particularly in Eastern Canada. Not to mention the widespread fear that the safety net constructed for the sick, disabled and elderly may soon be unrecognizable.

Uncertainty has a way of engendering problems out of all proportion, thereby creating additional problems. In the spring of 1996, about 30 per cent of Canadians told us they felt that they are worse off in their family, would probably be laid off or become unemployed in the next 12 months. That adds up to about 3.3 million households. Of course, 3.3 million Canadians are not going to lose their jobs next year. But what if all these people really believe that they could be the unlucky ones? That's a lot of new car purchases delayed, shoes resoled and a significant increase in the number of Kraft Dinners served. Scour or buy the G&P plant in Oakville, the Sears shoe department in Hamilton and the Loblaws meat counter in Hamilton are going to feel the effect, if they haven't already. Perception becomes reality. Perception—once false—often haunts themselves. Job anxiety is palpable at the lives of Canada's disillusioned middle class. What need is catastrophic for the young, the unemployed and seasonal workers has crept into their refined neighborhoods.

All of this would make anyone, of any age, nervous. But older people, except for those already retired or fully indexed pensioners, tend to be more starchy than young people, and the big bang of baby boomers aging quickly. Though the official "savings rate" has been in decline throughout this decade, investments in RRSPs are at record levels. Boomers are now getting more emphasis on saving than spending. Many of the expenses associated with forming families are behind them—homes have been bought. Of not all ways paid for, the appliances are all working and the kids have part-time jobs and are buying their own clothes. So it's time to put some money aside. Good for the banks, but bad for retailers and sales clerks.

The new Canadian consumer, moreover, is volatile. People who used to buy on credit out of habit—when a habit is ingrained by television advertising—have become far less impulsive. Today, the odds are no better than 50-50 that a person who picks up a product at the grocery store one week will buy the same brand a few weeks later. Merchandisers, who know that it costs approximately five times as much to win a new customer as it does to keep an old one, are frantically trying to figure out how to pitch products in a way that will keep people on the shelf.

It's a tough job. The old slogans just don't seem to work any more. It's as though Canadians have sensed a declining commitment in them as employers and are fighting back, displaying declining loyalty when they take their hard-earned money to the



THE SLOWDOWN IN SPENDING
Annual change in consumer spending

stores. Air travellers used to have clear preferences for either Air Canada or Canadian. Now, they choose whoever offers the best deal. Department stores and retailers watched in horror as tens of thousands of once loyal customers deserted off to Wal-Mart when it entered Canada in 1994. U.S. based price clubs have made a huge dent in the grocery market. Even the banks are worried. Despite record profits, bank CEOs know that they can no longer take customer loyalty for granted.

Our surveys show that at any given moment, as many as 20 per cent of all bank customers are thinking of switching banks. Consumers with less money to spend also get cynical. The "I deserve this" attitude of the 1980s may still be popular with the baby set, but for most Canadians the spare days are heavy bargains, less, dollar stores, secondhand sports equipment and clothing, and home renovations are now among the hot items. Says George Kosch, president of Day "We no longer have the ego-willed, value-insensitive, fashionably rich, price-sensitive customer of the 1980s, we now have the customer of the 1990s. The value-seeking customer is no longer at the lower levels of income, but at all levels of income."

As a result, it's hard to find anyone who wants to buy anything these days that is (a) big, (b) expensive and (c) not really very interesting (walkman, microwave, dryer, television, toaster, microwave, hairbrush, hair curler or family car). With the exception of home computers, which still carry some novelty, the purchase of so-called big ticket commodities is down sharply. A 1994 Royal Bank survey detected a new reluctance among Canadian consumers to buy anything bigger than a breadbox unless it was absolutely needed. Clothes? Secondhand clothing stores are thriving, and people who wear "previously owned" clothing actually brag about it. Cars? Also thriving, courtesy of the used car division of the Automotive

Retailers Association of B.C., claims that "used cars don't carry the stigma they used to." Sports equipment? Many Canadian sporting goods stores have gone under, victims of the predatory pricing of American-based chain stores. Used sports equipment stores are increasing in their place and it isn't unusual to see CEOs and cabinet ministers taking their children there.

OWE CANADA

Consumer debt as a percentage of disposable income



that used sports equipment stores are increasing in their place and it isn't unusual to see CEOs and cabinet ministers taking their children there.

For a huge number of Canadians, then, the future is becoming an obsession. Less certainty of employment. Lower wages for those lucky enough to have a job. Less protection, after wages and unemployment insurance, when those without jobs. And increasing levels of debt for everyone. Consumers are in a confidence crisis, according to our surveys, is at its worst. All of this reflects what the economic writers like to call "cashless consumers." That is the euphemism for people mesmerized by fear. Let's not be deceived. Let's not call it caution, or reluctance or uncertainty. Let's call it trauma.

Dropping the ball

Baseball's playoffs are all spit and no shine

For generations, Major League Baseball's playoffs have always thrived most brightly in October, and that was true again last week in Baltimore, as slugger Bobby Bonds jump-started the opening round of the playoffs with a grand-slam home run that helped his Orioles beat the Toronto Blue Jays 10-5 in Game 1. Later that night in New York City, Texas upset the Yankees in part because of a highlight-reel defensive play by Rangers third baseman Dean Palmer. Yet the film clip that dominated sportsfans around North America was not of a great catch or a booming home run, instead, it showed Orioles second baseman Roberto Alomar, who is always being spotted for arguing a strike call, sitting in manager John Hirschbeck's box during a game in Toronto the week before the playoffs began. Nearly everyone agreed that Alomar's actions begged swift and successful punishment—everyone, apparently, except league officials, who limited their attempt at discipline. And even though the umpires stayed on the job after throwing a strike, the game was sporting a big black eye when it should have been revelling in the on-field excitement.

Was it baseball. After a decade of turmoil, the sport has been enjoying a comparatively happier year before Alomar, a former Toronto Blue Jays star, slipped up to the plate on the final Friday of the regular season. Trying to rebuild his fan base after the crushing 1994-1995 players' strike, league attendance rebounded nicely in 1996, climbing by 4.4 per cent over the previous season as a dozen teams, including the Montreal Expos, stayed in contention for the right playoff spots until the last weekend. Club owners, with coffers swollen by a rich new U.S. network TV contract, even seemed close to a new collective bargaining agreement with the players. And the playoffs are again affirmed the greatness of postseason baseball, when the pressure of the playoffs brings teams into every pitch.

But those gains seemed last last week because the Alomar controversy would not go away. First, the media, league officials and even before players denied his actions—both the spitting and a subsequent, insistent claim that Hirschbeck's performance had declined since the death of his eight-year-old son in 1990. "It's safe to say you don't coach that kind of behavior," said Baltimore shortstop Cal Ripken, adding "People in a lot of strange things under

pressure. We all wish it didn't happen."

The league, meanwhile, was its own worst enemy. Despite graphic video evidence of the incident, American League president Gene Budig handed the player second base—a mostly live-game suspension that would not take effect until next spring. That lenient response—Alomar was in the dugout the day after the incident and hit the game-winning home run that lifted the Orioles onto the play-



Baltimore's Davey Johnson between Alomar (left) and Hirschbeck, completely misbehaved

offs—reinforced the rudderless stage of a sport that has not had a commissioner's aid since owner Fred Foy's death in 1992. Acting commissioner Bud Selig could have overruled Budig by invoking the "best interests of baseball" clause in the game's charter, but he chose not to. "We screwed up," said one senior baseball official who asked to remain anonymous. "The whole thing has been completely mismanaged."

The umpires were not mollified by a belated apology from the player and they threatened to walk off the job unless the suspension took effect right away. Although league officials won a federal court injunction preventing the strike, the umpires' message

was clear: "What Alomar did was reprehensible," said umpires' union president Jerry Crowley. "If [Selig or Budig] think the apology ends it, that doesn't make up for it."

Alomar still drew cheers in Baltimore, where fans at Camden Yards chose to forgive if not forget. The seventeen All-Star, who won two World Series with the Blue Jays, is sublimely talented, nearly flawless in the field and always dangerous at bat. But while he got off lightly last week, the stain of the Hirschbeck's misbehavior will likely dog him even if some day he is inducted into the Hall of Fame. The case was not helped by the fact that he didn't seem sorry, especially when his written apology was an obviously penned by someone in the Orioles front office. "I'm sincerely sorry that my actions caused deeply offended fans and, by extension, a definable conduct. I failed the game of baseball, the Orioles organization and my

fellow major leaguers," the statement said. The player, who earns \$8.25 million per season, also pledged \$50,000 to support research into the rare brain disease that caused Hirschbeck's son.

The game may have an equally difficult time reestablishing its image. Other sports respond to incidents of superstitions in any player who assaults a referee or umpire. Baseball, on the other hand, appeared to lack a moral compass in the Alomar shtick and, ultimately, dropped the ball. As a result, the controversy reflects as poorly on the people who run the sport as it does on Alomar.

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Trent Frayne

The CFL gains from Flutie's frustrations

From the newswatch, Dan Marino, the Miami Dolphins quarterback, drinks in it, the blue eyes, the teeth as white as, well, Sylvester's eggs. The magazine cover selects him. Dan Marino, *The Best Quarterback Not In Ever Size*. The magazine is *Q*, glossy paper for a shiny superstar.

OK, if you date on the National Football League, this stuff's for you. But if it's excitement you like and have a mind of your own, Dan Marino is just the best quarterback you'll ever see. The man to tell you is Doug Flutie, not big enough for the cautious NFL, born instead for wide-open football on snow-sure fields.

In the eyes of some, the NFL is a TV program, exploding lights and thrilling names and duties spurring in a booth where silence is the enemy. On the field, quarterbacks are guessers guarded by get-better linemen of 300 lb and up. The NFL is also rich in legs and gifts and big backs, and so it's a cherished goal for many a red-blooded American boy.

Such as Doug Flutie. This is just the time of year when Flutie's quiet dwell on what might have been. That comes later when the Canadian season is over. Right now Flutie is involved with the Toronto Argonauts, a team with the best win-loss record in the CFL. And going into last weekend's game against Winnipeg, Flutie led all quarterbacks with 22 touchdown passes, including a moon shot of 57 yards to wide receiver Paul Mason when the Argos nearly wiped the slate clean of previous leaders, the Calgary Stampeders, by 33-20.

The game was Flutie's first as an Argonaut against the Stampeders, the team he left to the Grey Cup game in 1982 and 1983. In Calgary, he won three of his four consecutive most outstanding player awards, starting in 1981 with the B.C. Lions. Including the Calgary game, Flutie had scored five touchdowns on the ground, one less than three players then tied for the league lead.

"The Argos head coach is Dan Matthews, who has been a Grey Cup champion 10 times in his 17 years in the CFL, a vintage point from which he animates his quarterback. 'Doug Flutie is the best CFL player I've ever been around. Every day I go home thankful that he's on our side'."

Flutie can throw a ball through a wall and running with it too makes him a very exciting player. One exciting 46 yards here, then every NFL quarterback except the silent Steve Young, who also takes off occasionally for other than lifesaving purposes. Why don't NFL quarterbacks run? "Smaller field, bigger people," supplies Bob Adles, the former B.C. Lions ball boy, now director of football operations for the Dolphins in Miami. "The defensive ends and outside linebackers down here are big, big guys. With less room, a scrambling quarterback is in peril. Doug's size is a detriment."

Flutie is five feet, 10 inches tall and weighs 178 lb. Dan Marino, cur-

rently watched with a slight fracture in his right ankle, 6'4 inches, four inches and weighs 234. Stocky lade Steve Young (as he clearly appears to be, shaking past or buried under huddling defenders on Sun day TV) is six-two and 205 lb. Still, the NFL philosophy of stationary quarterbacks as expressed by Bob Adles is very frustrating for Flutie, who can score anywhere except from his own relatively tiny life in the NFL—five games and one playoff with the Chicago Bears in 1986 and 19 games in three seasons with the New England Patriots.

"I ran the ball more with New England than I did with the Bears, but we didn't spread things out the way we do here," Flutie remembers. "Raymond Berry, the head coach, put in an offense line rate, a set with six backs, everybody spread out, me in the shotgun, like the stuff we do here. We practiced it five minutes a day and we had about six, seven plays off it. We got it one ball game where we were going against the wind and we got backed up to our own end. Our quarterback got sacked, it was like second and a mile, and Berry put me in. I ran a quarterback trap for about a 10-yard gain, and then a rollout thing, and then I threw the ball for a first down."

He smiles wistfully. "Once we got the first down, I came out and we never ran it again." Flutie has a theory on why the people who run NFL teams avoid small guys to quarter backs.

"What happens is, they're not gonna make you their franchise quarterback and throw two million bucks your way. They're not sure, because of the size thing, can pretty it. That's people coveting their own backs. They say, 'Hey, you're good, but if I spend this kind of money on you and things don't work out, then I get fired.' But if they spend the money on a guy six-foot, 216, can throw the ball, and

that doesn't work out, well, then they say, 'That's not my fault, I brought him in, but he just didn't get it done and that's his fault.' So it's everybody covering their own tail."

Flutie turns 34 later this month. When he was a kid of 7, he was a wide receiver for his older brother Bill. At 9, he played tackle at school. By 12, he was the quarterback. "I always wanted to be the guy in control, the guy running the show," he says. So, for a quarter of a century, Flutie has been in a tangle telling guys what to do. Does it bother him that he missed the NFL dream?

"What bothers me now is looking back, or looking at the guys who play in the league now, and I shake my head at some of the guys making \$8 million a year being a backup somewhere that I know for a fact I can outplay. And that frustrates me."

"But in general I don't see wrapped up in this league and what I have going on here that I don't have time to worry about that stuff. The only time I think about it is after the season when I go back to Boston, say in December, watch a few games, watch a few playoffs, and that's when I start thinking about it again."

An advertising opportunity in the October 14, 1986 issue of *Maclean's* magazine.

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Shower Massage products are easy to make your own shower to use. You can find them at leading home improvement centres, mass merchandisers and specialty retailers across the country.

It doesn't mean less indulgence, but more savings on your hot water bill. Water heating is the second largest energy user in the home representing about 25 per cent of your energy bill. But using less hot water doesn't mean sacrificing those gloriously long showers. By being Power Smart you can save money, save energy and conserve water without sacrificing a single thing.

The shower is the single largest consumer of hot water in most families. A little less water in every shower quickly adds up to big savings on your power bill. By replacing a standard energy-guzzling showerhead with a Power Smart endorsed model the average family can reduce their combined water/energy bill by about \$80 a year. Don't forget additional bathrooms in your home and at the cottage.

Power Smart Tip

Avoid scalding and save money. Set the temperature of your water heater between 55°C (130°F) and 60°C (140°F). To avoid electrical shock, shut off electricity to the water heater before making any adjustments.

An Energy-Efficiency Update: What's Happening in Canada?



Energy efficiency makes economic and environmental sense. When energy efficiently serves homeowners, firms and addresses their disposable income, it also increases the rate of operating businesses and manufacturing products giving Canadian firms a competitive edge. A further positive impact is that energy efficiency represents and supports an important, new "green" industry comprising engineering firms, energy service companies and equipment manufacturers. This has tremendous potential to create jobs and income for Canadians.

A. Anne McLellan
Minister of Natural Resources

Canada faces the difficult challenge of limiting greenhouse gas emissions to combat climate change. We share this challenge with other industrialized nations around the world. Because energy production and consumption are the largest contributors of emissions, Natural Resources Canada's (NRCan's) response to this challenge includes strong support for energy efficiency and the development of alternative energy sources. Through a mix of information and education products, voluntary initiatives, regulations and research and development, NRCan's Efficiency and Alternative Energy Program is having a positive impact on how Canadian's use energy.

Working with individual Canadians

One area of particular attention is the residential market. With support from NRCan and its private and public sector partners thousands of Canadian homeowners are educating themselves and making their homes more energy efficient.

For example, the Renosense Program in cooperation with partners such as Home Hardware, provides Canadians with the information they need to build energy efficiency into their home renovation plans. In the new housing market, more than 8,000 certified R-2000 Homes have been built in collaboration with NRCan's R-2000 Home Program. This program is a world leader in the field of energy-efficient construction.

As well Canadians have long looked to the EnerGuide label to help them buy the most energy-efficient major household appliances and room air conditioners. Manufacturers have responded by continuously improving efficiency levels. To take one example, thanks in part to EnerGuide, today's refrigerators are twice as efficient as those built 20 years ago.

NRCan has collaborated with industry to inform Canadians about the energy performance of new windows and central heating, ventilating and air conditioning (HVAC) equipment. HVAC manufacturers are voluntarily rating the energy efficiency of their equipment. Window manufacturers are also voluntarily labelling their products for energy performance. These ratings enable consumers to purchase the most energy-efficient products for their needs.

Regulations ensure minimum level of efficiency

In addition to labelling and information programs, regulations are also playing a key role in improving Canada's energy performance.

For example, energy efficiency requirements for lamps have recently come into force under Canada's Energy Efficiency Regulations. Minimum performance levels will gradually eliminate the most inefficient lighting products from the marketplace, giving consumers a measure of protection and encouraging manufacturers to

improve the efficiency of their products. It is estimated that by the year 2000 the lamp regulations will reduce carbon dioxide emissions by 53 megatonnes — an amount equivalent to the annual emissions of about one million automobiles.

Other regulated products include major household appliances, electric motors and heating, ventilating and air conditioning equipment.

Industrial, commercial and institutional initiatives

In addition to educating Canadian consumers about energy efficiency, NRCan is focusing particular effort on the industrial, commercial and institutional sectors of our economy. That's because these sectors account for more than 50 per cent of energy use in Canada.

For example, over 300 corporations, institutions and municipalities have volunteered to increase the energy efficiency of their facilities by joining the Energy Innovators Initiative. An additional 220 industrial firms have joined the Industrial Energy Innovators Initiative. Through this Canadian Industry Program for Energy Conservation, many sectors have established energy-efficiency targets and action plans to reduce their operating costs and improve their competitive edge while also reducing the environmental consequences of their activities.

To put the federal government's own house in order, NRCan's Federal Buildings Initiative (FBI) is helping government departments and agencies improve the energy efficiency of their facilities. More than 3,000 federal buildings have been or are being upgraded. The FBI, which uses private sector funding, has the potential to save taxpayers tens of millions of dollars a year in energy costs and is being replicated by other levels of government and public organizations.

In response to an international obligation to mitigate climate change, Canada's Climate Change Voluntary Challenge and Registry (VCR) Program was created to record and encourage actions that reduce greenhouse

gas emissions. A key component of this program is that it renders the private sector publicly accountable for their actions on this issue. Non-participants are conspicuous by their absence while participants are scrutinized according to the breadth and depth of their commitments and actions. More than 500 organizations are now registered and participation continues to grow. Energy efficiency will continue to be an important way for VCR participants to reduce their emissions.

Acknowledging progress and the challenge ahead

These collaborative efforts of NRCan and its many partners are clearly having an impact. Although overall energy use has grown in recent years as a result of increased economic activity, research shows that Canada has become more energy efficient. As our economy continues to grow, we will need to make further improvements in our use of energy.

Expanded collaborative initiatives will be critical to this process. Working with organizations such as Power Smart Inc., provincial governments, utilities, corporations, institutions, industry associations, equipment manufacturers, retailers, home builders, renovators and individual consumers, NRCan will continue to support energy efficiency as a multi-faceted and constructive means of achieving Canada's environmental objectives.

To find out what you can do as an individual to help meet Canada's challenge to protect our environment, call the Energy Publications line at 1-800-387-2095 and ask for your free "Energy Efficiency Kit".

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Buying new appliances

Refrigerators:

You're buying a new fridge, but plan to keep your old one too! Think again. Your annual electricity bill can increase by up to \$100. If you need more space, you'll save in the long run by purchasing a larger refrigerator and recycling the old model.

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The Power Smart web site contains a wealth of information on how to get more value for your energy dollar. In addition to 100s of useful tips and energy efficiency information, you'll also find a complete list of more than 2,000 products endorsed by Power Smart. Visit us in cyberspace at <http://www.powersmart.ca>

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Air Sealing Tips

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Power Smart Tip

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Before you buy caulking and weatherstripping, make sure it's Power Smart.

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Power Smart Tip

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Timers: Even on the coldest night, your car needs to be plugged in for no more than four hours. A Power Smart endorsed timer automatically turns the power on and off at pre-set times, allowing you to regulate your vehicle's block heater and interior car warmer. Outdoor timers are also great for garden/patio/perch lights, and indoor timers can be used on Christmas lights and indoor lights. They are easy to use and will save you money year after year.

Light fixtures & bulbs: You can reduce your lighting costs by 30 - 75 per cent by installing fluorescent and/or halogen fixtures and by replacing high wattage incandescent bulbs with compact fluorescents. Look for the Power Smart endorsement to maximize your lighting efficiency while using less energy.

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Choosing the right materials

At Canadian Tire, you'll find all the products you need to be Power Smart this winter. Canadian Tire carries a wide range of Power Smart Endorsed Products from quality Canadian manufacturers such as General Electric, Nema, Teledyne Water Pik and many more. When purchasing energy-efficient products, look for the Power Smart endorsement seal to ensure the products meet high standards.

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Films

Raw punk, cooked pop

Rolling the camera for two kinds of rock

BY BRIAN D. JOHNSON

Ever since The Beatles honed their way through *A Hard Day's Night* in 1964, filmmakers have been trying to capture the energy and irreverence of rock 'n' roll. Although rock music came had "retro" in earlier films, such as the Elvis musicals, *Hard Day's Night* director Richard Lester was the first to really translate rock 'n' roll cliché into cinematic life. Since landmark rock movies have followed *Gimme Shelter* (1970), freeze-framed the death of peace and love at an infamous Rolling Stones concert, *The Last Waltz* (1978), Martin Scorsese's film of The Band's farewell performance, dangled the end of an era, and *The 69 Eyes* (1986), Irish director's portrait of a Scottish heavy-metal act, offered the consummate satire of rock posturing, while leading up the whole "rockumentary" genre.

Documenting the ticks, and antics, of a rock band is one thing. But building a movie around a fake one is a challenge of a different order. The key, as *Speedy* Jig proved, is to fabricate a band that looks, acts and sounds at least as good as the real thing. Two new movies concerning this month—*That Thing You Said* and *Hard Core Logo*—attempt just that. Both are comic tales of fictional band-on-the-road to oblivion. But they come from opposite extremes of the film world—and the rock world.

That Thing You Said, which marks the directing debut of actor Tom Hanks, is about



Hanks (left), Seaback, Tyler, Embry, Scott, Zehn-fel-grod

an American band that clones The Beatles sound in 1965 and becomes a one-hit wonder. *Hard Core Logo*, by Toronto director Bruce McDonald (is about a Canadian punk group staging a last-gasp reunion tour in the 1990s. The studio movie, a \$30-million Hollywood production, is a well-decorated musical-punk to rock 'n' roll's early ancestor; *Hard Core Logo*, which cost just \$1.5 million, is an edgy excursion to the nihilism at the end of the rock rainbow. Both films work as

their own terms. And it is hard to compare product with anti-product—*That Thing You Said* is aimed at a much broader audience. But *Hard Core Logo* is the superior film, a deceptively sophisticated piece of work by one of Canada's most talented directors.

As a rock documentary, *Hard Core Logo* borrows its concept from *Spinal Tap*. It is, however, less caricature, and its affecting parody is undercut by a new sense of realism. After tripping up with *Dance Me Out of Me* (1984), McDonald has found his voice with *Hard Core Logo*. The film continued in a loose trilogy that includes *Roadkill* (1989) and *Highway 67* (1991). It is his best and toughest film, striking just the right chord of nihilism and wit. The previous goes back to *Roadkill*, which was originally planned as a documentary about a Toronto punk band called A Neon Rose. After A Neon Rose's lead singer shaved his head and took a vow of silence, the band split up, forcing McDonald to make *Roadkill* as fiction.

This new film follows the ragged odyssey of a defunct band called Hard Core Logo. An obnoxious leader, Joe Dick—played with riveting authority by singer Hugh Dillon of the Toronto band Bloodlines—recruits his ex-bandmates to perform a benefit for punk kid Ruckey Haight (in special Julian Richman), who has apparently lost the use of his legs after being shot in Saskatchewan. Following the benefit, Dick takes the band on a low rent reunion tour of Western Canada, with McDonald's film crew in tow. On the road, a bitter rift develops between the volatile singer and his dead-on lead guitarist, Wiley Tuleat (Kathryn Kruger Ross). Meanwhile, the pudish drummer (Bernie Coulson) helps drive the sensitive, speech-impaired bass player John Pappas into a state of bitter self-pity.

Of the four actors playing band members, only Dillon is a musician. Originally, he delivers each song as "Who the Hell Do You Think You Are?" with a blue cap that galvanizes the band into the springing musical-punk satire. More remarkable, however, is his acting. With almost no previous experience, Dillon—who resembles a lecher, an actor Bruce Willis—plays his scenes with perfect comic correction while conveying the charisma of a movie star. And as his foil, Ruckey (the shy star opposite Sandra Oh in 1994's *Double Happiness*) looks like a Canadian movie star just waiting to be discovered. *Hard Core Logo* contrarily delivers more

FILMS

that it pretends. Behind the satirical facade is an emotional drama of desperate dignity. Behind the appearance of casual improvisation is a cunning script and real directorial flourish. The ambient highway footage—sunlight streaming through trees, the dreamer gazing out the van's bubble roof as it shimmers through mountain tunnels—has a hallucinogenic beauty.

That *Thing You Do* is a much bigger movie than *Head Case* says, but its scope is more modest. A slender story follows the rise of a garage band called the Wonders, four fresh-faced boys from Erie, Pa., who record a surprise hit single and catch a taste of the Big Time. The focus is on the drummer, a just-as-fancied Guy (Tom Everett Scott) who works as his father's appliance store and is the coolest guy in town. The bandmates are an ambitious singer who takes himself too seriously (Johnathon Schaech), a girl chasing clouds of a guitarist (Steve Zahn) and a nerdy bassplayer not enjoying the Marines (Dian Parkinson).

The four actors are newcomers, and all are engaging performers. Also along for the ride is ingenue Liv Tyler, who plays Faye, the singer's neglected girlfriend and the band's unofficial fifth member. And *Headcase*, jockeying the band both on- and off-screen, appears as the slick Play-Tone Records executive who grows the lads for stardom.

As pure nostalgia, *That Thing You Do!* is warmly evocative. The movie comes up as a world of Stridebakers, transistor radios and Polaroid Land cameras, while the sound track is wallpapered with satirically cheesy knockoffs of Bert Kaempfert ballads and Ventures riffs. But there are some jarring anachronisms—"winded" was not part of the lingua franca then. The plot, such as it is, hinges on a typical rift between the drummer and the singer, with Faye's affections swinging in the balance. But much of the movie consists of the band playing its one hit, a Beatles-like ditty called *The Thing You Do*, over and over again. Fortunately it is a good song. And, against all odds, it does not wear completely thin.

The danger, of course, in concocting a feel-good movie around a band designed to be obsolete is that it will seem false. And, to some extent, it does. But what saves *That Thing You Do!* is the spontaneous charm of its cast—and a slow-burn romance that, while predictable, melts away the initial Tyler, who spends most of the story just hanging around, soaking the movie in the dual scenes with her emotional co-star. She leaves how to play a pause, how to bring time to a dead stop, and Hawks gives her more. What transpires is a glimmer of pure stardom, a kiss that is more close just a kiss. That *Thing You Do!* does that thing Hollywood does so well: It is a rock romance with a soft center, and as such from *Head Case* to go as Paul McCartney as from *Head Case* to Paul McCartney.

Hankering back

A star turned director revisits '60s music

He is Hollywood's Everyman for the Nineties. A sensitive man with a sense of humor. Smart, but not a snarler. Able to play straight or gay. A face softened by humility and candor, with a wily intelligence behind the squinting smile. A nice face, but not movie-star handsome. He could be one of us. Tom Hawks has come to embody a whimsical heroism for the boom generation. As the lonely widower in *Sleepless in Seattle*, he brought retro-romance back to fashion. Then, in the subtle still

about it and here we are. As it turned out, Hawks never played in a group. "But I've always been fascinated by the dynamic of a rock 'n' roll band," he says. "It's usually four people not getting along. It's fraught with dramatic tension."

The actor began writing *That Thing You Do!* last year as an escape from the grind of promoting *Forever Young*. "I carried the movie around in my head for a real long time," he recalls. "When I actually started writing it, I was kinda possessed. It was so complicated in the most delightful way, this huge puzzle that I had to solve."

Like other super stars who have turned to directing, he had no trouble getting support. "It's some-shot opportunity, based on our credit or power," he says. "Christmas is nobody's an executive suits is going to want to offend Al Pacino or myself and say they don't want to make that movie."

It was an ambitious project. Deciding not to use any period music, Hawks wrote and commissioned original songs in a vintage style—but not too vintage. For the title song, he says, "the template was Please Please Me, La Bamba, Next and Shout, maybe a little Subterranean Thrive in." After recording the sound track, Hawks recruited the band, casting Tom Everett Scott, who looks like a young Tom Hanks in the lead as the drummer. None was a musician, but they spent 10 weeks learning to play before filming.

Hawks remembers the first morning of the shoot. "I literally felt as if everybody on the set, all 112 people, turned and looked at me at the same exact moment. I was in this impressionist plotting. I felt like this huge tree unable to move. Finally I said, 'OK, very good.'"

Recalls Liv Tyler, who plays the girl-with-the-band: "Tom might not have been really confident at first, but he knew what he wanted. He knew things to be very real and natural." He talks directing: "You can see through this film what an amount of heart he has—that huge, enormous, squishy, huggable kind of feeling."

Hawks now returns to being a squishy, huggable actor. Next, he plans to shoot *Saving Private Ryan*, Steven Spielberg's epic of the Normandy invasion. But he does hope to direct another movie—which may well depend on whether *That Thing You Do!* does business.

R 24



in *Forever Young* and the stranded astronaut in *Apollo 13*, he discovered a lost (or mythical) age of American innocence. And now, with his directorial debut, *That Thing You Do!*, he has returned to that era once again.

"I don't know how it happened," he told Maclean's before his film's premiere at last month's Toronto International Film Festival. "I didn't want to make a nostalgic movie, and yet it is one. I set it in 1964 for a specific reason. It's pre-Beatles, the last gasp of a former *Beatles*. But I didn't want to dwell on *Swishies* themes. This really is about the British invasion's effect on American pop culture."

Hawks, now 40, was just 7 when he saw *The Beatles* on *The Ed Sullivan Show*. "I remember it very well," he says. "When I was a kid I fantasized that I was a drummer, such a fabulous drummer that John, Paul and George would hear

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FILMS

Lost child, lost souls

Mike Leigh's latest is an irresistible tale

British director Mike Leigh has an unorthodox approach to making movies: one that he describes as "idiosyncratic," basing on the "re-creation." He starts with no script, just a vague idea. Then, he casts his actors, who spend months improvising the story, inventing it even as they are filming. But there is nothing loose about the final product. Leigh directs with astonishing rigor, circumscribing the performances into a symphony: whole as complex as the most tightly scripted narrative—and with an emotional realism un-

and unceremonious against the world at large. Cynthia also feels abandoned by her husband (Timothy Spall), a photographer falling in a tortured marriage.

Into this family morose walks Hortense (Marianne Jean-Baptiste), a black up-towner who tracks down her birth mother and is shocked to discover she's white. It is Cynthia, who never more shocked to learn that the white she grew up for adoption as a teenager was black—Cynthia had mistook on the identity of the father. The narrative does not really check into your mind and



paralleled in contemporary cinema. Although Leigh has a method, he does not have a style; for each film becomes its own creature. Three years ago, he made a dark, edgy story into a small angel that revolved around an idiosyncratic performance by David Thewlis. Leigh's new film, *Secrets and Lies*, is a sprawling tale of family anguish, a drama that teeters on the high wire between comedy and pathos without ever losing its balance.

Secrets and Lies was the big prize in Cannes last spring, and the best actress award decisively went to Brenda Blethyn for her portrayal of Cynthia, one of the most sweetly tragic women ever to grace the screen. Consistently on the verge of tears, adorably clinging to a cigarette, blundering through life with a perpetual sense of embarrassment, Cynthia is a magnificent disaster. Decisively lovely, she spends her days in a cardroom (her and her mother's) with a blithely daughter (Claire Rushbrook) who works as a street sweeper

Secrets and Lies expressing the story while making

and daughter meet. But that scene—an instant that has right nature—is demystifying. From there, the drama builds with irresistible momentum to a tear-defer finale, a family barbecue at which all the secrets and lies come spilling out.

Secrets and Lies was also part of the film-making. None of the actors, including Blethyn, found out that Hortense was black until, in character, they met her—in the set. "It was a huge security operation," and Leigh, 53, is an intense talker. "But the movie was great. They knew they weren't allowed to talk about scenes that people weren't in."

Secrets and Lies includes a withering portrait of English class society, but it emerges organically from the characters. They see a sad lot, wandering through life with dazed smiles, wondering why they were born. Miraculously, however, like an old-fashioned film using a French birth, Leigh pulls a surprising optimism out of all the complications.

BRIAN D. JOHNSON

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Opera

Songs of obsession

The Canadian Opera Company has struck its most recent launch into the new season in Toronto with not one but two Strauss operas, *Salome* and *Elektra*, among the darkest, bloodiest works in the repertoire. And to direct *Salome*, it hired an opera neophyte, Canadian film-maker Atom Egoyan. The gamble on Egoyan has paid off at the box office with strong ticket sales for the run, which ends on Oct. 19 at the O'Keefe Centre. Moreover, Egoyan—who has frequently explored voyeurism in his screen creations, including *Exotica* and *The Adjuster*—accidentally confirms that pursuit in his provocative staging of *Salome*.

With an astringent touch, Egoyan directs the opera's central idea that desire in isolation, like a specimen on display in a petri dish, can assume ludicrous proportions. In this *Salome*, Herod's sexual education with his stepdaughters, not Salome's seduction with John the Baptist, is the catalyst for the gruesome climax. By forcing the viewer to confront Salome's youth, most notably in flashbacks of her as a child in the film sequence that makes up part of the *Dance of the Seven Veils*, Egoyan transforms her from the scorned and veiled temptress of Strauss's adaptation of Oscar Wilde's play to a victim responding to rejection in the only language she has learned—violence. Even Derek McLane's tiled stage reminds the viewer of the psychological, or moral, confusion that the involuntary participant refuses to adjust to a psychotic situation. In the same way that the absurd has become the norm for Salome, the viewer barely notices the skewed scale of the stage by the end of the production.

Egoyan's contemporary setting suggests a health spa or elite mental institution, where Herod is catered to by attendants in white, and where everyone watches everyone that Salome's five Jews are drunk-costed doctors who regard pain as lifeless theology as if they were discussing alternative medicine or psychoanalysis. They provide Herod with drugs, and they assist him in his rape of Salome during the *Dance of the Seven Veils*.



Karamazov: in Salome, Toronto, Karamazov as Elektra (below) desire as obsession

The Canadian Opera Company gambles on two Strauss tragedies



From costumes and props to the understated setting, every detail in that production contributes to Egoyan's meticulous voyeurism. But since he gives the audience so much information visually—as a plotter, as it were—explaining what would ordinarily be left to the music to suggest, there are times when Strauss's colorful score slips into the background. In the casting as well, Egoyan appears to have given dramatic considerations almost as much importance as vocal ones. As Salome, the slight Igla Kazarovskaia is above all vulnerable. Her heavy-toned soprano is lyrical and touching, but not particularly powerful. Tenor David Rangno is a superbly odious Herod, unafraid of disturbing his voice to make his point. Black baritone Susan Bollen (John Salome) whines for his "deh pure in blue, and in every" makes an impressive John the Baptist, though he stage, mostly effete, in a huge voice unattached by grace, like a street-corner evangelist spouting fiction.

If musicality is not the production of an opera buff's dream, dramatically it is stunning. And without resorting to obvious plays for suspense or melodrama, a tension is woven with more crawling, and disturbing, images than opera normally dares to do.

On the other hand, the exaggerated, slither-like gestures and contrived staging of director James Robinson's *Elektra*—running until Oct. 19—also the COC solidly back to the world of traditional opera. The audience may shut its eyes and sleep along by the music without losing track of the tale of a young woman bent on avenging the murder of her father, Agamemnon, by his wife, Clytemnestra, and her lover. Fine visual support is there, to be sure, but the overall vision that might pull it all together is not. Set designer McLane has effectively re-worked the stark, slithering stage set that he uses for *Salome*, and it now fits in lurid technicolor by Maria Jordan Sherie. Anita Stewart's larger-than-life, movement-reducing Victorian costumes promise some intellect and play with the theme of Victorian sexual repression and the adultery and murder at Clytemnestra's core, but that merit of it is reinterpreted into the past as a whole.

What this opera does have is an incisive, driving orchestral presence, courtesy of guest conductor and Strauss specialist John Crook, and a cast of Olympian voices. As Elektra, Susan Marie Person belts her passionate soprano over the accompaniment even when she sings—as she too often does—into the floor or with her face against the wall. The splendid soprano of Malena Karamazov overcomes the closing direction that threatens to turn her Chrysothemis, Elektra's sister, into baby face. And Susan Shaler's grotesque Clytemnestra shows with her eye means that—dysfunctional family or not—her daughters come by their big voices honestly.

ELISSA POOLE

HANG OUT AT THE IALL DO HOMEWORK PLAY COMPUTER GAMES RUN A HUMAN RIGHTS ORGANIZATION IN BED & 10



And in your spare time win a YTV Achievement Award. Sure, Craig Kielburger is not your typical kid. In fact he's not even your typical YAA! Award winner. But he does typify the spirit of the awards: awesome young Canadians who go out of their way to do something special and make a difference in the lives of those around them.

Two years ago Craig read a story in the newspaper about a Pakistani boy named Iqbal Masih. Both boys had celebrated their twelfth birthday that year. Iqbal, however, wouldn't be celebrating his thirteenth. The young Pakistani had been sold into slavery and spent most of his life chained to a rug loom. He eventually escaped, started speaking out against child labour, and was finally assassinated for his activism. Craig set out to continue the young hero's work.

Craig formed Free the Children, an organization comprised of young people committed to promoting awareness about child labour worldwide. He's traveled extensively, met with the Prime Minister, addressed Parliament, and spoken to the U.S. Congress. Through it all, Craig has always tried to direct the focus of this attention away from himself and on the issues he fights for. In 1996, Craig received the YAA! President's Award

for his outstanding work and the awareness he has generated about this important issue.

Excellence and achievement are not limited to the human rights arena. YAA! Award winners Sharron Cushing and Julie Desjardins exemplify a unique Canadian spirit of innovation. For a high-school science project they designed and created an inexpensive device to take core samples from the sediment at the bottom of lakes. The device can have major scientific and economic impact, making geological information accessible to a larger number of people.

No price can be placed on the value that arts bring to our society. Gordon MacKeen is a multi-talented young entertainer who is working hard to keep a distinctly Canadian art form alive and well. Gordon has been busking and performing since he was six years old. A champion clogger and fiddler in his native Nova Scotia, he now receives fan mail from around the world. Last year, at the age of 13, Gordon received our YAA! Specialty Performance Award.

The YTV Achievement Awards recognize its outstanding accomplishments and contributions made to society by young Canadians in a variety of categories. All finalists are showcased in the annual YAA! YTV Awards Show which is broadcast nationally.



Awesome young Canadians like Craig, Sharron, Julie and Gordon are an inspiration to their peers and, indeed, to the rest of us. The purpose of the YAA! Awards is to support these kids and, by showcasing them, encourage them to pursue their own dreams and goals. That's where Canadian spirit of innovation comes in. If you know a young Canadian who you feel project they designed and created an inexpensive device to take core samples from the sediment at the bottom of lakes. The device can have major scientific and economic impact, making geological information accessible to a larger number of people.

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Awards will be presented on the YTV coast-to-coast telecast in the spring of 1997. Each award winner and their chaperone will travel at YTV's expense to appear at the ceremony. A committee of judges will select award winners in each category based on a description outlining their achievement and back-up material sent in with the nomination. To be eligible, nominees must be 19 years or younger as of December 31, 1996 and be residents of Canada.



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When history goes in for a rewrite

King Canote did not try to stop the tide. Here we go again. This is getting boring. An esteemed Ontario college wrote last week—responding to the Canadian Auto Workers dispute with General Motors over "lock-outs"—that ultimately "the opposition will be like King Canote finally trying to hold back the tide."

I wasn't there to watch it, unfortunately, but along about 1934 dear old Canote, son of George Fotheringham, King of the Mines, grew weary about his workers' belief that he could do anything. To warn them up, he ordered that they carry the royal chair down to the sea. He sat in it, as the tide gradually lapped at his feet and his shoes and so on.

The message was that he was a mere mortal when opposed to nature. It is now—damned on his head—the most misquoted anecdote in history.

I perhaps should not say "trust"—rather one of the most misquoted, screenshot interpretations of what really went on. It is a constant struggle for a humble agent like me correcting history but we attempt to persevere.

Leo Danneberg never said "Nice guys finish last." The legendary Brooklyn Dodgers owner, when asked about the real New York Yankees, said rather compassionately that they were run by a nice guy but—look at the standings—they were in last place. An alert sports-writer running out of time and space, abbreviated it to the above quote which has become a metaphor for cynicism.

Franklin Delano Roosevelt's most famous quote, advising Americans from the depths of the Depression in his 1933 inaugural speech, was "The only thing we have to fear is fear itself." Good call! But we don't know whether the president spoke it (says Francis Bacon "Nothing is to be feared but fear") or Roosevelt. Nothing is so much to be feared but fear."

It is an open secret in Canadian journalism that Bob Stanfield, tossed a football by reporters as it rebounded against an airport terminal, caught every one's eye—but use. This was the one that some national newsworthy in the Canadian Press sent across the nation, since it seemed to epitomize the public perception of a decent but flunking



politician who would lose three straight games to Pierre Trudeau. Just as the instantly famous shot of poor Bob Dale falling off the platform gladdened his fans.

It is generally accepted in the literary world that John Kennedy's obituary in *Canoe*, which won the Pulitzer Prize—apparently written while he recuperated in a long hospital stay—was actually ghosted by someone hired by his father, probably Ted Sorensen.

Pierre Trudeau's celebrated line about "The state has no business in the bedrooms of the nation" was stolen by his speechwriter from an editorial two days previous in *The Globe and Mail*.

Winston Churchill, the greatest man of this century, goes down in history for among other things asserting in his so-called 1948 Fulton, Mo., speech that, "From Stalin in the Baltic to Trieste in the Adriatic, an iron curtain is descended across the Continent."

Well, in 1915, one George W. C. Gillette wrote about France "with a deep-seated pessimism and an iron curtain in its frontier." And, at all people, Dr. Joseph Goebbels, quoted by a February 1945, Reuters dispatch in *The New York Times*, said "The whole of east and southeastern Europe, together with the North, would come under Russian occupation. Behind an iron curtain, mass hordes of people would begin."

The Duke of Wellington did not say "The Battle of Waterloo was won on the playing fields of Eton." The seventh Duke of Wellington, back in the 1850s, offered a reward for the best essay about this saying. The bestwinner was John (well) found an 1885 reference that the Duke, on a visit to the Eton classrooms—lost the playing fields—said "It is here that the Battle of Waterloo was won."

Nature (whose name was not Nature but I still decided to the private news said "To improve of what you see in 1904, of a British biographer—see: Brother Hilda—also confessed she paraphrased his actual quote "Thank for ourselves and let it be the privilege to do so for us."

Benito Mussolini started it and modern conservative fascists have been quoting it ever since—a supposed Napoleon (Latin) expression: "You cannot bring about prosperity by discouraging pride. It only strengthens the weak by weakening the strong. You cannot further the wage earner by pulling down the wage payer. You cannot further the brotherhood of man by encouraging class hatred. You cannot help the poor by depriving the rich."

On Feb. 13, 1954, the Associated Press revealed the hoax, a Republic from Glasgow that was awarded in 1942 to a local distributed by the Com. Center for Constitutional Government, one of whose leaders was Ed ward A. Rensley, who had served twice as a German agent.

I could go on, but this is a thing. C. D. Howe never did say "What's a million?" John D. Rockefeller made his up. Babe Ruth did not "call" that home run against the Chicago Cubs. It is all so depressing.

Sorry about this

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